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CONTENTS

7 November 1994

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

INTERNATIONAL AFFAIRS

Jakarta Meeting Held on APEC Trade, Taxes 1
  Indonesian Minister Urges Cooperation *[Jakarta Radio]* 1
  U.S. Said Hindering Progress *[Jakarta Radio]* 1
  Further on U.S. Moves *[Melbourne International]* 1
  Thai 'Source' Details Rift *[BANGKOK POST 7 Nov]* 2
  Members Agree on Tariff Database *[BANGKOK POST 7 Nov]* 2
  Summary of Statement *[KYODO]* 2
APEC Statement Expected To Be 'Rather Political' *[KYODO]* 3
Police Say Preparations for Summit Completed *[Jakarta Radio]* 4

NORTHEAST ASIA

Japan

Reports on Issues Related to Framework Talks 5
  Glass Talks Making 'Progress' *[KYODO]* 5
  Auto Talks Likely Delayed *[KYODO]* 5
  NTT on Procurement Methods *[KYODO]* 5
Hashimoto Sees Ties With U.S. 'Back on Track' *[SANKEI SHIMBUN 4 Nov]* 5
CIA Report on Use of Nuclear Arms Reviewed *[MAINICHI SHIMBUN 4 Nov]* 5
U.S. Said Opposed To High-Rise Base Housing *[KYODO]* 6
Reports on 15 Nov APEC Meeting, Agenda Continue 6
  APEC To Seek Trade Standards *[KYODO]* 6
  APEC Leaders on Free Trade *[KYODO]* 7
  Murayama's Agenda Noted *[KYODO]* 8
  More on Tokyo's Agenda *[KYODO]* 9
Article Discusses Plan To Provide Aid to DPRK *[SHUKAN DAIYAMONDO 5 Nov]* 10
Editorial Urges Tokyo To Improve Ties With DPRK *[TOKYO SHIMBUN 2 Nov]* 11
Russian Minister Cited on Northern Territories *[ASAHI SHIMBUN 5 Nov]* 12
Tokyo Planning Financial Aid to Ukraine *[NIHON KEIZAI SHIMBUN 3 Nov]* 12
Tokyo To Train Belarus, Kazakhstan Officials *[KYODO]* 12
  More Assistance to Belarus *[NIHON KEIZAI SHIMBUN 1 Nov]* 13
Former Germ Warfare Unit Being Operated in PRC *[KYODO]* 13
MOF To Maintain Financial Monitoring System *[TOKYO SHIMBUN 6 Nov]* 14
MOF Eyes U.S. Casualty Insurance Derivatives *[KYODO]* 14
MOF Issues Licenses to Banks' Securities Units *[KYODO]* 15
MHW Reviewing Pension Fund Consignments *[NIHON KEIZAI SHIMBUN 31 Oct]* 15
Murayama To Review Regulations on Imports *[KYODO]* 15
Ministers, Business Adopt Deregulation Package *[KYODO]* 15
Murayama Said Planning Cabinet Reshuffle in Dec *[YOMIURI SHIMBUN 2 Nov]* 16
  SDPJ Reacts to Possible Reshuffle *[YOMIURI SHIMBUN 3 Nov]* 16
Komeito Creates Two New Parties Prior to Merger *[KYODO]* 17
Hata Urges Murayama To Hold Early Election *[KYODO]* 18
  Ozawa Not Seeking Early Elections *[KYODO]* 18
Impact of New Districting Plan on Politicians *[KANKAI Oct]* 19
KHI, China Join on Desulfurization Technology *[NIHON KEIZAI SHIMBUN 25 Oct]* 31
Editorial Urges Concrete Environment Policies *[NIHON KEIZAI SHIMBUN 27 Oct]* 32

North Korea

- Foreign Ministry on Opening of 'Experts' Talks *[KCNA]* ... 33
- Kim Chong-il Arranges Banquet for Talks Delegates *[Pyongyang Radio]* ... 33
  - KCNA Reports on 6 Nov Banquet ... 33
- ROK Soldiers Urged Not To Join 'Eagle-94' *[Pyongyang Radio]* ... 33
- Kim Yong-sam Blamed for Staging 'Eagle-94' *[Pyongyang Radio]* ... 34
- U.S., ROK Stage Combined 'Air War Exercises' *[KCNA]* ... 35
- Daily Warns About Military Dictatorship in ROK *[KCNA]* ... 35
- ROK Defense Minister's Remarks Criticized *[KCNA]* ... 35
- ROK Brings 'War Equipment' Into DMZ 4 Nov *[KCNA]* ... 36
- Kim Yong-sam's Military Budget Increase Viewed *[Pyongyang Radio]* ... 36
  - 'Criminal Intention' Revealed *[KCNA]* ... 37
- Principles for Peaceful Reunification Stressed *[Pyongyang Radio]* ... 37
- 'Full' Text of Kim's 'Socialism Is a Science' *[KCNA]* ... 38
  - Kim Chong-il's Thesis Lauded *[Pyongyang Radio]* ... 49
  - Important 'Historic Work' Praised *[KCNA]* ... 52
- Implementing of Party's Economic Strategy Urged *[NODONG SINMUN 28 Sep]* ... 53

South Korea

- IAEA Asked To Monitor North's Nuclear Freeze *[YONHAP]* ... 55
  - UNSC Statement Adoption Welcomed *[YONHAP]* ... 56
  - Secretary General Interviewed *[Seoul TV]* ... 56
- Seoul Seeks South-U.S. Chairmanship of KEDO *[YONHAP]* ... 56
- Seoul, U.S., Japan Schedule Reactor Talks *[YONHAP]* ... 57
- U.S. Official on Armistice, Troop Reduction *[YONHAP]* ... 57
- Government Discusses Postaccord Foreign Policy *[CHOSON ILBO 6 Nov]* ... 57
  - Four Envoys 'Suddenly' Recalled *[Seoul Radio]* ... 58
  - Seoul Reviews Inspection Formula *[YONHAP]* ... 59
  - Policy Consultative Council Meets *[Seoul Radio]* ... 59
  - Policy Change Toward North Decided *[Seoul Radio]* ... 59
  - Mid-, Long-Term Plans Recommended *[YONHAP]* ... 60
  - President Kim Receives Reports *[YONHAP]* ... 60
- President Activates N-S Economic Cooperation *[YONHAP]* ... 60
  - 'Partial Lift' of Restrictions *[YONHAP]* ... 61
  - Economic Groups Welcome Decision *[YONHAP]* ... 61
- Seoul Considers Replacing Armistice With Treaty *[YONHAP]* ... 62
- Christopher's Upcoming Visit to Seoul Analyzed *[YONHAP]* ... 62
- President's Speech on APEC, North-South Ties *[Seoul TV]* ... 63
- Ministry Says 3 North Koreans Granted Asylum *[YONHAP]* ... 65
- More Speculation on O Chin-u's Stay in Paris *[SEOUL SINMUN 5 Nov]* ... 65
  - Further on Status of O Chin-u *[Seoul TV]* ... 65
- Light-Water Reactors in China Planned 'Soon' *[YONHAP]* ... 65

SOUTHEAST ASIA

Brunei, Malaysia & Singapore

Malaysia

- Mahathir Sees 'No Need' for Foreign Bases *[Kuala Lumpur International]* ... 67
- Editorial Opposes APEC Institutionalization *[NEW STRAITS TIMES 3 Nov]* ... 67

Cambodia

- Ranariddh Condemns KR Killing of Hostages *[Phnom Penh Radio]* ... 67
- Ranariddh Urges Thailand To Return Sin Song *[AFP]* ... 68
- KR Radio Notes Arrest of Sin Song in Thailand *[Radio PGNUNS]* ... 68
- Kampot Province Refutes Hostage Killings *[Radio PGNUNS]* ... 68
- Hun Sen Derides Khmer Rouge 'Struggle' *[Phnom Penh Radio]* ... 70

Indonesia

Suharto Agrees To Meet East Timor Dissidents *[REPUBLIKA 4 Nov]* 70
Meeting With Movement Leaders Urged *[AFP]* 70
Editorial Hails Dialogue With Timor Dissidents *[REPUBLIKA 7 Nov]* 71
Horta Pleased Clinton, Suharto To Discuss Timor *[Lisbon International]* 72
Editorial Discounts Possibility of CIA Aid *[SUARA KARYA 3 Nov]* 72

Laos

Foreign Minister Departs for Mongolia, PRC *[KPL]* 73
PRC Press Delegation Meets Vientiane Mayor *[KPL]* 73
Premier Issues Decree on Inspection Committee *[Vientiane Radio]* 73

Philippines

Government Confirms Dutch Citizenship of Rebels *[Quezon City TV]* 73
Regions Contribute To Second Quarter Growth *[BUSINESS WORLD 1 Nov]* 74

Thailand

Article Previews Third Chuan-Clinton Meeting *[KRUNGTHEP THURAKIT 7 Nov]* 74
Suphachai Urges ASEAN To Speed GATT Adoption *[THE NATION 5 Nov]* 76
Alternative Urged to APEC Liberalization Plan *[BANGKOK POST 7 Nov]* 77
Editorial Advocates 'GATT-Plus' Role for APEC *[THE NATION 7 Nov]* 78
Government Denies Supporting Khmer Rouge *[Radio VOFA]* 78
Chuan on Cambodian Pardon for Thai Suspects *[Bangkok International]* 79
Cambodia Clears Thaksin; Sin Song Offered Asylum *[THE SUNDAY POST 6 Nov]* 79
Legal Aspects of Sin Song Case Being Examined *[THE NATION 5 Nov]* 80
Editorial on Arrest of Cambodian Coup Leader *[MATICHON 5 Nov]* 81
Probe Launched Into Smuggling of Coup Suspects *[THE NATION 5 Nov]* 82

Vietnam

'Possibility' Seen of Normalized U.S. Ties *[Hanoi International]* 82
Prime Minister at Meeting on India Cooperation *[VNA]* 82
Defense Minister Concludes Visit to Malaysia *[VNA]* 83
Cambodia Asked To Observe Transport Agreement *[VNA]* 83
Newspapers Mark Russian October Revolution *[VNA]* 83
Visit by Japanese Government Delegation Hailed *[Hanoi International]* 84
Foreign Radio Program Director Delivers Apology *[VNA]* 84
Vo Van Kiet on Importance of Oil, Gas Industries *[VNA]* 84
Further on Vo Van Kiet Remarks *[Hanoi Radio]* 85
Chairman Nong Duc Manh Attends Memorial Ceremony *[Hanoi Radio]* 85
Decree Issued on Finance Ministry Functions *[Hanoi Radio]* 86
Gains in Foreign Investment Projects Outlined *[VNA]* 86
Dinh Nho Liem Writes on National Defense *[QUAN DOI NHAN DAN 24 Oct]* 86
Article Examines Leadership Role of Party *[Hanoi International]* 87
* Minister on Industrialization, Agriculture *[QUAN DOI NHAN DAN 6 Sep]* 88

AUSTRALASIA

Australia

PRC's Qiao Shi in Canberra on Official Visit 91
Evans Discusses Businessman's Case *[Melbourne International]* 91
Pro-Tibet Demonstration Held *[AFP]* 91
Evans Concerned Over KR Presence in Thailand *[Melbourne International]* 91

Jakarta Meeting Held on APEC Trade, Taxes

Indonesian Minister Urges Cooperation

BK0511120394 Jakarta Radio Republik Indonesia Network in Indonesian 0600 GMT 5 Nov 94

[FBIS Translated Text] Finance Minister Mari'e Hammed has called on APEC [Asia-Pacific Economic Cooperation] tax administrative officials to further increase their cooperation to further enable their governmental organizations and private sectors to achieve the objective of economic cooperation, that is, to bring more prosperity to all the Asia-Pacific regional community.

Speaking at the opening the second APEC symposium on trade and taxes in Jakarta, the finance minister said the implementation of the Uruguay Round will pose a greater challenge among the APEC members with regard to taxes in the effort to improve the quality of their organizations, internal systems, and procedures. The Uruguay Round will also need new procedures and regulations for facing such a challenge as well as for providing better services. As such, cooperation is needed in the fields of technology transfer, technical assistance, and the exchange of personnel and experiences with regard to tax administration.

U.S. Said Hindering Progress

BK0611161594 Jakarta Radio Republik Indonesia Network in Indonesian 1500 GMT 6 Nov 94

[FBIS Translated Text] The APEC [Asia-Pacific Economic Cooperation] pre-Senior Officials Meeting in Jakarta today failed to reach an agreement on three principles on investment cooperation among APEC members because of U.S. and Singaporean opposition. Speaking to reporters in Jakarta today, Son Chun-yong, chief of the APEC Committee on Trade and Investment [CTI], said failure to reach an agreement means no progress has been made at the meeting. The United States and Singapore believe that the meeting will not reach a consensus on three contested principles, namely national treatment for domestic and foreign investment performance, conditions that some countries impose on investors, and repatriation of profits.

The three issues will be discussed again at the last round of the CTI meeting tomorrow to determine if the United States and Singapore will change their stand. If an agreement cannot be reached tomorrow, the issues will be referred to higher levels, namely the Senior Officials Meeting and the Ministerial Meeting. Hadi Susastro, an economic affairs observer, said the United States seems to prefer a more progressive and unlimited investment policy.

Further on U.S. Moves

BK0711081594 Melbourne Radio Australia in English 0630 GMT 7 Nov 94

[From "International Report" program]

[FBIS Transcribed Text] With the summit of APEC leaders in Indonesia just a week away, the United States is refusing to sign a proposed investment code for Asia and the Pacific. Washington stands alone among the 18 members of the Asia-Pacific Economic Cooperation [APEC] forum in opposing the code. Michael Marr reports from Jakarta there are now concerns that the American stance might affect the success of the meeting.

[Begin recording] [Marr] One week out from the APEC leaders summit in the Indonesian resort town of Bogor, officials are working to fine-tune the agenda for what has been billed as a gathering likely to go down in the annals of free trade in the Asia-Pacific region. That fine-tuning, however, was unable to silent a sour note which sounded over the weekend when U.S. officials refused to sign on to draft of a set of nonbinding investment principles. The idea to draw up such a set of principles was first put foward by Prime Minister Keating at last year's APEC summit in Seattle. The thinking behind the initiative was to define some common approaches to the treatment of foreign investment flows in the region. The United States maintains it is not opposed to such a code, but that the current draft is not tough enough and would not be acceptable to its business community.

President Bill Clinton recently wrote to Prime Minister Keating outlining his country's objections to the draft. In his reply, Mr. Keating acknowledged those concerns, but urged the U.S. to sign on to the draft document anyway. However, that is not the course Washington has decided to adopt. When APEC's committee on trade and investment met in Jakarta over the weekend, the U.S. delegation announced that it could not agree to the investment principles in their current form, setting the superpower apart from the rest of APEC.

Leading Indonesian economist, Dr. Hardy Susastro, who was an observer to the weekend's proceedings, said Washington's position has clearly irritated other APEC members.

[Susastro] The unhappiness is because United States is the only one that is not agreeing to the draft and secondly, the objection to the draft was so sudden after they have done their work, you know, for so long, and then agree on a draft, and all of a sudden, there was words from Washington that they would not accept it.

[Marr] How much of a problem is this going to be—the United States refusing to sign up to this document?

[Susastro] Oh, it could be a problem because, you know, countries may use this as an example that the United States—a major superpower amongst members of the APEC—can block decision. I think it is not a good start.

[Marr] Of course, Indonesia is, not surprisingly, looking to this to be a very successful APEC gathering. What do you think the Indonesian officials would be thinking of this early in stage, given the U.S. position.

[Susastro] You know, I sensed the unhappiness on the part of Indonesian officials.

[Marr] There is already a perception, particularly in Southeast Asia, that the U.S. has perhaps employed too many bullying tactics. Is this going to reinforce that perception?

[Susastro] Well, it might. The feeling again is that the United States will also be using APEC for its trade and economic diplomacy and within APEC it can pressure smaller economies more effectively than it did multilateral global forum.

[Marr] Officials remain hopeful that the impasse over APEC's investment principles can be resolved before the leaders meet in Bogor in a week's time. However, it is clear Washington's actions have only served to reinforce the view held by some APEC members that the U.S. needs to be more flexible if this Asia-Pacific economic grouping is to have a future. [end recording]

Thai 'Source' Details Rift

BK0711092994 Bangkok BANGKOK POST in English 7 Nov 94 p 8

[Report by Somphon Thaphanachai and Wichit Sirithawiphon]

[FBIS Transcribed Text] Jakarta—The Asia Pacific Economic Cooperation (APEC) group yesterday failed to reach consensus on non-binding investment principles intended as guidelines in attracting investment to member countries, according to a Thai delegation source.

The Committee on Trade and Investment yesterday discussed ways to improve the flow of investment and trade in the region. Most officials agreed investment principles for the whole group should be adhered to voluntarily.

The Thai source said that only the United States, led by Nancy Adams, Assistant Trade Representative for APEC affairs, was not satisfied with the draft.

The US wanted stronger commitment from APEC countries which favoured a draft with exceptions or conditions to protect domestic interests. Information from the Thai source was confirmed by APEC observer Dr Hardy Susastro, director of the Indonesian Centre of Strategic and International Studies, who is member of the Pacific Economic Cooperation Council.

Ms Adams said not only the US but several other countries were worried about the draft. The US wanted to ensure a very good investment climate without discrimination. Businesses should be able to repatriate profit in a fair manner and decide where to invest.

The Thai source said the US wanted all members to accept the "national treatment" principle. This meant members would treat local and foreign investors equally. But other members had reservations about allowing this for some sectors. He said the US also wanted to immediately eliminate the performance requirement. Members would not be able to give better treatment to foreigners investing for export purposes than to foreigners investing for local distribution.

Thai Deputy Prime Minister Suphachai Phanitchaphak said in Bangkok Thailand favoured non-binding principles and phased elimination of other requirements over several years. National treatment should not be extended to the financial sector. After the morning session Ms Adams said she was worried the document might not achieve its goal of attracting investment.

"We are not sure that APEC will produce a good document now. It may take years to come up with one," she said. The US is awaiting an answer from Washington on whether it will yield to other members before the APEC ministerial meeting.

Members Agree on Tariff Database

BK0711100194 Bangkok BANGKOK POST in English 7 Nov 94 p 8

[Report by Wichit Sirithawiphon and Somphon Thaphanachai]

[FBIS Transcribed Text] Jakarta—Asia Pacific Economic Cooperation [APEC] members have agreed to set up a tariff database as an essential mechanism to help trade in the region, according to deputy director-general of the Customs Department At Manatsiriphen.

Mr At said after a meeting of the Committee on Trade and Investment that the database would be the tariff information source for all APEC members providing potential investors with more accurate data for decision-making. The APEC secretariat has been told to select a contractor to implement the system for US$210,000. The project is expected to be operational in October 1995.

Mr At said the committee agreed to use Customs procedures based on the Tokyo Convention, the international Customs procedures agreement. However, members were free to suggest modifications to the convention through Canada which would be the coordinator. Thailand is interested in speeding up import clearance procedures at domestic ports. APEC members agreed to use a Customs valuation method based on the GATT. Developing countries will have a five-year transitional period to adjust their methods.

Summary of Statement

OW0711141494 Tokyo KYODO in English 1301 GMT 7 Nov 94

[FBIS Transcribed Text] Jakarta, Nov. 7 KYODO—The following is a summary of the third statement of top leaders of the Asia-Pacific Economic Cooperation

(APEC) forum, dated Nov. 1, which will be further fine-tuned and issued at their second informal summit in Bogor on Nov. 15:

—We agree to announce our commitment to complete the achievement of our goal of free and open trade and investment in the Asia-Pacific by the year 2020. The pace of implementation will take into account the differing levels of economic development among APEC economies. The developed economies and the newly industrializing economies will achieve the goal by the year 2010 and developing economies by the year 2020.

—Our goal is an ambitious one. We will start our concerted liberalization process from the very date of this statement. We direct our ministers and officials to immediately begin preparing detailed proposals for implementing our present decisions. The proposals are to be submitted soon to the Asia-Pacific economic leaders for their consideration and subsequent decisions. Such proposals should also address all impediments to achieving our goal.

—We have decided to expand and accelerate APEC's trade and investment facilitation programs to promote further the flow of goods, services and capital among APEC economies by eliminating administrative and other impediments to trade and investment.

—We agree to examine the possibility of a voluntary consultative dispute mediation service, to supplement the World Trade Organization's dispute mediation mechanism, which should be the primary channel for resolving disputes.

—We agree to ask the Eminent Persons Group and the Pacific Business Forum (APEC's two advisory panels) to continue their activities to provide the APEC economic leaders with assessments of the progress of APEC and further recommendations for stepping up our cooperation.

—We agree to intensify development cooperation in areas such as human resources, natural resources, promotion of small and medium-scale enterprises, economic infrastructure, energy, transportation, information, telecommunications, tourism and the environment.

—We also ask the EPG and PBF to review the relationships between APEC and existing sub-regional arrangements such as the ASEAN free trade area, the North American free trade area and the Australia-New Zealand economic area. This is to examine possible options to prevent obstacles to each organization and promote consistency in their relations.

—We agree to halt using measures which would have the effect of increasing levels of protection.

—We agree to continue the valuable consultations on economic growth strategies, regional capital flows and other macroeconomic issues.

—We call for the successful launching of the WTO.

APEC Statement Expected To Be 'Rather Political'

OW0511035094 Tokyo KYODO in English 0300 GMT 5 Nov 94

[By Keiji Urakami]

[FBIS Transcribed Text] Tokyo, Nov. 5 KYODO—The Asia-Pacific Economic Cooperation (APEC) forum will form a basis for building a global free trading system under the World Trade Organization (WTO), says one of advisers to the grouping.

"APEC, along with the European Union (EU), will probably become one of the two major pillars of the global trade activity in the future," said Ippei Yamazawa, who is a member of the Eminent Persons Group (EPG), an APEC advisory body. In a report submitted at the end of August to Indonesian President Suharto, the host of this year's informal APEC summit, the advisory group mapped out a freer trade vision for the Asia-Pacific area. Among panel members are Yamazawa, Fred Bergsten of the United States, and Suhadi Mangkusuwondo of Indonesia.

In an interview Friday [5 November] with KYODO News Service, Yamazawa said APEC was created as a loose consultative body just few years ago while the EU is a rather institutional group aiming to become an entity beyond national boundaries. He also said APEC is more limited than groups like the EU and the North American Free Trade Agreement (NAFTA) in offering trade facilitation steps.

"But it would be wrong to make light of APEC's role in the global trade framework," said Yamazawa, a professor of economics at Hitotsubashi University, a prestigious national university in suburban Tokyo. The geographical scale of APEC has spread greatly, covering half of the globe by now, he said.

The WTO to be launched next year will likely undergo "a dynamic process of change" with an expected expansion of its role to cover such areas as labor standards, human rights, competition policy, services trade and the environment, he said.

"Such a process would be greatly affected by how APEC and the EU will play a role in it," Yamazawa said. "The substance of the WTO would be formed by interaction between the two groups."

APEC will open a two-day ministerial meeting next Friday in Jakarta, which will work out specific ways to facilitate trade liberalization in the Asia-Pacific area. The ministerial meeting will be followed by the second informal APEC summit in Bogor, a suburb of Jakarta, on Nov. 15.

Yamazawa said it would be very difficult—almost impossible—to fully integrate APEC members into one regional economic grouping.

The difficulty reflects the diversity of each APEC member in areas ranging from a geographical scale, economic development stages and natural resources to growth potential, he said.

APEC efforts toward regional integration will be thus confined to "minimum necessary adjustments," a stark contrast with the goal of a single currency set by the EU, Yamazawa said.

Yamazawa dismissed the idea of regional groupinm seen in various parts of the world blocking global trade liberalization. "Both concepts do not work in an exclusive manner but in a supportive way."

Yamazawa said negative effects may emerge when the trend toward regional grouping becomes bigger than that toward global trade freedom. But the formation of a regional group usually serves as an impetus for trade liberalization on a global scale, he said.

The existence of the EU, for example, makes it easier to promote trade liberalization under the GATT framework, he said.

Yamazawa said APEC leaders will probably confirm a clear commitment to accelerate trade liberalization in the Asia-Pacific region in a joint declaration to be issued after the summit. The declaration, however, will become "a rather political one" that skirts sensitive or conflicting areas, Yamazawa said. He also said the declaration will likely state a target year for completing trade freedom in the Asia-Pacific area. The EPG report set a goal of free trade in all goods and services in the APEC area by 2020.

Yamazawa said the declaration will stop short of recommending specific ways to achieve the goal, leaving "the homework" to Japan, the host of the next APEC summit in Osaka.

The Osaka conference will focuo not only on freer trade programs but also on measures to facilitate trade, an idea proposed by Japan's Ministry of International Trade and Industry, he said.

Whether free trade programs will be applied in a nondiscriminatory manner, extending beyond the APEC region, will be also be discussed, Yamazawa said. A nondiscriminatory approach could involve first targeting noncontroversial sectors such as services trade, intellectual property rights, trade-related investment measures and industrial products, he said.

On trade of industrial products, trade ministers from Japan, the U.S., Canada and the E.U. agreed in Tokyo last year to remove tariffs in four areas—steel, construction, machines and electronics, he noted.

The U.S. is seen as spearheading the camp for accelerated trade liberalization in the APEC area, Yamazawa said. This stance is basically supported by Asian countries, he said. Each Asian country has "unique" noneconomic ties with the U.S., prompting the need for each to maintain good relations with Washington, he explained. Moreover, all Asian nations, even Malaysia, favor the idea of free trade, he said. "Ways to achieve that goal differ from one country to another."

On the idea of expanding the APEC membership, Yamazawa said a cautious stance will continue for the time being. APEC has agreed to freeze new membership for three years. APEC is comprised of 17 countries and territories. Chile will soon join the group. It is unlikely that Russia will be admitted to the forum immediately after the suspension period, he said.

Police Say Preparations for Summit Completed

BK0511105394 Jakarta Radio Republik Indonesia Network in Indonesian 0700 GMT 5 Nov 94

[FBIS Translated Text] Police Chief Banurusman today visited the Jakarta Metropolis and Bogor police districts to observe the preparations for the upcoming APEC summit. Following is the Bogor- based correspondent's report.

[Begin recording] [Unidentified correspondent] Police Chief Banurusman has expressed his desire to see success achieved during the upcoming APEC summit in Jakarta and at Bogor Palace.

[Banurusman] At this stage, I can say that the preparations in Bogor are complete, including the issuance of directives and guidance to the personnel. We will make full use of all available facilities such as transportation and communications, including the facilities of the Indonesian Amateur Radio Organization. Success will depend on them. I am confident that success can be achieved through the performance of the security officials and also through the people participating in such a way that that the situation remains stable. Such a situation depends on all of us. Together, we must create a beneficial situation and avoid any tensions when receiving our guests.

[Correspondent] The Indonesian police has selected 6,000 police personnel, including personnel from the mounted police and police tracker dog units. The police chief also visited Bogor Palace, the venue for the APEC leaders summit. [end recording]

Japan

Reports on Issues Related to Framework Talks

Glass Talks Making 'Progress'

OW0711115494 Tokyo KYODO in English 1141 GMT 7 Nov 94

[FBIS Transcribed Text] Tokyo, Nov. 7 KYODO—Japan and the United States are making progress in trade talks on flat glass, even though the two sides failed to reach an agreement as planned by the end of October, Chief Cabinet Secretary Kozo Igarashi said Monday [7 November].

"There are probably some discussions that still need to be made. But I hear that basically, the talks are moving toward an accord," he said.

The U.S., seeking to open up the Japanese flat-glass market, reached a basic accord with Japan at a ministerial level in late September. The two sides tried to wrap up negotiations by the end of October, but have decided to prolong them since discussions on such issues as objective criteria have proved time-consuming.

Auto Talks Likely Delayed

OW0711094494 Tokyo KYODO in English 0937 GMT 7 Nov 94

[FBIS Transcribed Text] Tokyo, Nov. 7 KYODO—Japan-U.S. "Framework" trade talks on automobiles and auto parts are unlikely to resume anytime soon, Japanese Government sources said Monday [7 November].

There is growing speculation that U.S. Trade Representative Mickey Kantor will propose a resumption of the talks to Japan's International Trade and Industry Minister Ryutaro Hashimoto.

Kantor and Hashimoto will both go to Indonesia later this week to attend a ministerial conference of the Asia-Pacific Economic Cooperation (APEC) forum.

The United States is reportedly hoping to resume the talks as soon as Tuesday's midterm elections are over.

A top trade official said, however, that Japan will not accept the proposal if the U.S. keeps making the same demands it has made in the past.

Another official said Japan would be ready to discuss only aspects of deregulation, especially compulsory periodic motor vehicle inspections, as part of the autos and auto parts talks.

Whether to resume the talks is up to the Transport Ministry, which is in charge of such inspections, the official indicated.

The Transport Ministry, however, feels that the vehicle inspection system should not be tampered with for political reasons, ministry sources said.

They said the rate of accidents stemming from poor vehicle maintenance is 0.035 percent in Japan, compared with 0.5 to 3.5 percent in the U.S. and Europe which do not have vehicle inspection systems.

The lower rate in Japan is due to the compulsory inspection system, the sources said.

NTT on Procurement Methods

OW0711051194 Tokyo KYODO in English 0421 GMT 7 Nov 94

[FBIS Transcribed Text] Tokyo, Nov. 7 KYODO—Nippon Telegraph and Telephone Corp. (NTT) said Monday [7 November] it will step up measures to procure foreign-made products by officially announcing its purchase plans as early as possible.

Japan's telecommunications giant will also provide necessary information to overseas companies on regular meetings with them and on seminars to be held outside Japan.

NTT has decided to improve its procurement practices on the basis of an early October agreement reached between Japan and the United States concerning the company's product procurement methods, NTT officials said.

Under the new plan, NTT will try to monitor opinions concerning production and technological aspects from foreign manufacturers prior to actual procurement, they said.

Hashimoto Sees Ties With U.S. 'Back on Track'

OW0511100494 Tokyo SANKEI SHIMBUN in Japanese 4 Nov 94 Morning Edition p 3

[FBIS Translated Text] Minister Ryutaro Hashimoto of the Ministry of International Trade and Industry [MITI] attended a party on political, economic, and cultural issues held by the Toyama prefectural chapter of the Liberal Democratic Party [LDP] in Takaoka city, Toyama, on 3 November. In his greeting remarks, Hashimoto stated: "The current cabinet has set the relations with the United States back on track, and worked out measures to deal with various domestic issues such as the agricultural issue. Moreover, it has tried to settle various problems left over by the two former coalition cabinets, and finally there are good signs of improvement in such issues as Japan-U.S. ties." In this way, Hashimoto criticized the policies followed by the two coalition administrations under [former prime ministers] Morihiro Hosokawa and Tsutomu Hata.

CIA Report on Use of Nuclear Arms Reviewed

OW0511232094 Tokyo MAINICHI SHIMBUN in Japanese 4 Nov 94 Evening Edition p 1

[By Toshifumi Kono]

[FBIS Translated Text] Washington, 3 Nov—In the second half of the 1950's, during the Cold War age, the Central Intelligence Agency (CIA) of the United States made an analysis of possible reactions to the use of nuclear weapons by the United States in the four types of wars that might have taken place in East Asia, and reached a conclusion negating the use of nuclear arms based on the reasoning that it might arouse a strong "antinuclear sentiment" in Japan. This was disclosed on 3 November by a CIA report prepared then. It is pointed out in the report that "if the United States should resort to nuclear weapons, Japan would probably not approve the use of U.S. military bases in the country." Thus, it has come to the front that the atomic bombing of Hiroshima and Nagasaki has strongly affected the U.S. nuclear policy during the Cold War age.

The report is entitled: "The Use of Nuclear Weapons by the United States in Limited Wars in the Far East, and Reactions of China, the Soviet Union and the Free World." And it was prepared in July 1958 at the request by the National Security Council (NSC) under the (then) Eisenhower administration. This top secret report was declassified last April, and MAINICHI SHIMBUN has obtained a copy report from the U.S. National Archives.

According to the document, the report suggests four scenarios: 1) Invasion of the ROK by the DPRK (North Korea); 2) attack on Quemoy and Matsu Islands (in the Taiwan Strait) by China; 3) attack on Taiwan by China; and 4) attack on South Vietnam and Laos by China. And it points out: "In case of the United States launching a nuclear attack on the Chinese Mainland, it is most certain that Moscow and Beijing would counterattack U.S. military bases and units possessing nuclear arms in the Far East, and a nuclear retaliation would become most certain. Moreover, the analysis indicates that retaliation would be limited to the Korean Peninsula or Taiwan Strait, if the use of nuclear arms should be limited to these areas, and that "the Communist bloc would prabably retaliate without using nuclear arms" if the use of nuclear arms should be limited to Quemoy and Matsu Islands or to Vietnam and Laos.

Moreover, the report appraises that "many governments of the Free World would be impressed and encouraged by the rapid actions of the United States to prevent invasions by the Communist bloc." On the other hand, however, the report indicates concerns that "the use of nuclear arms by the United States would probably arouse fear of an overall war; extensive denunciation by public opinion, particularly in Asia; and most certainly negative reactions in many countries."

The report also gives a detailed description of the situation in Japan. Among the severe views cited in the report are: "Because of emotional antipathy against nuclear arms, reactions in Japan would be particularly hostile. Perhaps, Japan would not approve the use of U.S. military bases in the country." "As far as the United States is concerned, one of the major issues lies in the reactions in Japan. The fear that Japan might be involved in the war would impose strong pressure on Japan to negate the use of U.S. military bases." "If the state of battle should be prolonged or expanded, the United States will be compelled to withdraw its military bases in Japan. And there would be intensified pressure on the United States to withdraw from Okinawa."

With regard to opposition in Asia, particulary in Japan, the report points out: "The use of nuclear weapons may lead to a feeling that white people are indifferent to the lives of Asian people." And it also warns that even if the use of nuclear arms were able to stop the state of battle without causing serious sacrifices among the general public, "the United States cannot avoid being branded as the first to resort to nuclear weapons."

U.S. Said Opposed To High-Rise Base Housing

OW0511151094 Tokyo KYODO in English 1442 GMT 5 Nov 94

[FBIS Transcribed Text] Washington, Nov. 5 KYODO—The United States is reluctant to accept Japanese plans to build high-rise housing for U.S. servicemen assigned to the naval base in Yokosuka near Tokyo, a senior Japanese defense official said Friday [4 November].

Noboru Hoshuyama, director general of the Defense Facilities Administration Agency, made the remark after meeting U.S. State and Defense Department officials.

Hoshuyama said the U.S. officials pledged Washington's cooperation in preserving the natural environment when building housing for American servicemen, but gave a negative response to Japan's plans for construction of high-rise buildings.

Hoshuyama is visiting Washington to negotiate with U.S. officials on a project to build housing in Zushi, Kanagawa Prefecture, for U.S. Navy personnel and their dependents.

The agency has agreed with Zushi municipal and Kanagawa prefectural authorities on a five-point plan for the housing project, but is opposed to tall buildings, citing the Navy principle of allocating residential quarters according to servicemen's ranks, Hoshuyama said. He also discussed with the U.S. officials a long pending project for consolidation and realignment of military facilities in Okinawa Prefecture, he said.

Reports on 15 Nov APEC Meeting, Agenda Continue

APEC To Seek Trade Standards

OW0411132994 Tokyo KYODO in English 1251 GMT 4 Nov 94

[FBIS Transcribed Text] Tokyo, Nov. 4 KYODO—Ministers from Asia-Pacific Economic Cooperation (APEC) members will advocate the unification of trade standards and certificates in a joint statement to be issued during their meeting in Jakarta later this month, government officials said Friday [4 November].

The APEC ministerial meeting, to be held Nov. 11-12 ahead of the second informal APEC summit in Bogor, a suburb of Jakarta, on Nov. 15, will thrash out a framework of common standards on trade and investment in the Asia-Pacific region, the officials said.

The framework document, which will be attached to the joint statement, will call for establishing a "mutual recognition system" for trade standards among APEC members, the officials said.

As a first step toward the system, APEC ministers will agree to launch a pilot study in which two or three trade areas will be selected as a model study for trade standard unification, the officials said.

The mutual recognition system will be basically in line with rules adopted by the International Standardization Organization (ISO), the officials said. Standards and certificates are seen as a major pillar of trade facilitation measures in the Asia-Pacific region.

The committee on trade and investment, a subordinate organ of APEC, is now working on ways to devise a set of rules on such standards.

As a way to promote trade standardization in the Asia-Pacific area, Japan will propose beefing up human and technological cooperation in the area by advanced countries, the officials said. Under the concept, called the "integrated approach," Japan could help establish a standards and certification system in countries lagging behind in the area, they said. Such cooperation would facilitate establishment of the mutual recognition system in the APEC area, for example, the officials said.

The joint statement will also propose a set of nonbinding investment principles as a means to make the APEC region's investment environment more open, the officials said.

The proposal will urge APEC members to adopt nondiscriminatory principles for foreign investment, such as the most-favored-nation principle and the principle of national treatment, the officials said.

A draft of the investment principles, made available in September, confirmed "the importance of promoting domestic environments that are conducive to attracting foreign investment, such as stable growth with low inflation, adequate infrastructure, adequately developed human resources and protection of intellectual property rights."

Indonesia, the host of the coming APEC meeting, has taken the initiative in working out rules for a better investment environment in the APEC area. Indonesia recently drastically eased regulations on foreign investment.

Apart from the joint statement, APEC ministers will also issue a declaration on human resources' development, the officials said. APEC cooperation on fostering human resources was confirmed during the APEC ministerial meeting on small companies in Osaka in October.

APEC Leaders on Free Trade

OW0711134394 Tokyo KYODO in English 1252 GMT 7 Nov 94

[By Siti Rahil Dollah]

[FBIS Transcribed Text] Jakarta, Nov. 7 KYODO—Leaders from Asia-Pacific Economic Cooperation (APEC) member countries will call on APEC to achieve free trade in the region by year 2020, according to a draft statement to be issued by the leaders at their summit in Indonesia on Nov. 15.

A copy of the statement, dated Nov. 1 and obtained by KYODO News Service on Monday [7 November], sets a target year of 2010 for developed nations and the newly industrializing economies to fully liberalize, and 2020 for developing countries so as to "take into account the differing levels of economic development among APEC economies."

The liberalization is to start immediately with concrete steps. "Our goal is an ambitious one," it says, "we will start our concerted liberalization process from the very date of this statement."

"We direct our ministers and officials to immediately begin preparing detailed proposals for implementing our present decisions."

"The proposals are to be submitted soon to the Asia-Pacific economic leaders for their consideration and subsequent decisions," it says, implying a third informal summit to be hosted by Japan next year.

The eight-page draft statement is the third and final one to be compiled and distributed to government officials by Indonesian President Suharto's special assistant on APEC, Bintoro Tjokroamidjojo, with the earlier ones dated Sept. 10 and Oct. 1.

The statement is likely to be fine-tuned further due to reservations from some members before the summit.

Official sources said the goal of free trade in the statement is merely a "a political declaration," desired by Suharto, who is anxious that the 18-member economy summit Indonesia is hosting will mark a turning point for APEC.

As evident in the statement, much of the burden of carrying out the nitty-gritties of trade liberalization will be left up to Japan, which is the next chair of APEC.

Japanese delegates said, on some aspects of the statement, Japan has expressed concern to Indonesia, which chairs this weekend's annual APEC economic ministers' meeting in Jakarta and the second informal leaders' summit to be held in Bogor in mid-November.

The Japanese Government is worried that the liberalization deadline of 2010 expected of developed member economies will cover all goods and services. This will be tough for Japan, where any efforts to open up the closed rice market is strongly resisted by farmers.

Official sources said Malaysia, which opposes setting a timeframe for free trade in APEC and the institutionalization of APEC, is also upset with certain elements of the statement, particularly the call to kick off the liberalization process with immediate effect.

Malaysia is also unhappy with the presumption in the statement of another summit of APEC economic leaders next year after the Bogor meeting, they said.

The statement says that to complement and support the liberalization, APEC will expand and accelerate its trade facilitation programs "to promote further the flow of goods, services and capital among APEC economies by eliminating administrative and other impediments to trade and investment."

It says APEC "will give particular attention to our trade with non-APEC developing countries to ensure that they will also benefit from our trade and investment liberalization."

The 2020 deadline was first proposed by the Eminent Persons Group (EPG), APEC's panel of advisers. The EPG had called for a three-tier deadline of 2010 for developed economies, 2015 for the newly industrialized economies and 2020 for developing countries.

The statement also says the EPG and the Pacific Business Forum (PBF), APEC's advisers from the private sector, should continue their work although they were originally supposed to be disbanded after the reports were completed this year.

"We agree to ask the two groups to continue with their activities to provide the APEC economic leaders with assessments of the progress of APEC and further recommendations for stepping up our cooperation," the report states.

It also asks the EPG and the PBF to review the interrelationships between APEC and the existing subregional arrangements such as the ASEAN free trade area, the North American Free Trade Area and the Australia-New Zealand economic area.

In an bid to help resolve economic disputes between member economies, the statement proposes APEC leaders "also agree to examine the possibility of a voluntary consultative dispute mediation service to supplement" the World Trade Organization's dispute mediation mechanism.

To facilitate the goal to achieve free trade in the region, APEC ministers and officials should submit proposals to the leaders on customs, standards, investment principles and administrative barriers to market access, the statement says.

APEC will also continue consultations on economic growth strategies, regional capitals flows and other macroeconomic issues, it says.

The statement also calls for cooperation to help the less developed economies in APEC in areas such as human resources, natural resources, promotion of small-and medium-sized enterprises, infrastructural development, energy, transportation, information, telecommunications and tourism.

Murayama's Agenda Noted

OW0611085594 Tokyo KYODO in English 0834 GMT 6 Nov 94

[FBIS Transcribed Text] Tokyo, Nov. 6 KYODO—Prime Minister Tomiichi Murayama will ask Chinese President Jiang Zemin in upcoming talks in mid-November to make China part of an international consortium to finance and supply light-water nuclear reactors to North Korea, Foreign Ministry officials said Sunday [6 November].

Murayama will ask for Chinese participation in the Korean Energy Development Organization (KEDO) when he and Jiang are in Indonesia to attend the Asia Pacific Economic Cooperation (APEC) summit, the officials said.

During the APEC gathering, Murayama will hold a string of summits with U.S. President Bill Clinton and South Korean President Kim Yong-sam on top of the summit with Jiang.

Murayama will also push for greater solidarity among Japan, China, South Korea and the United States to secure North Korea's full compliance with the Oct. 21 nuclear accord under which Pyongyang agreed to freeze construction of graphite-moderated reactors, they said.

The accord also bound North Korea to allow the International Atomic Energy Agency to inspect two suspected nuclear dumping sites before the delivery of "key nuclear components" for the light-water reactor project.

Meanwhile, Murayama will seek South Korean understanding for a Japanese plan to revive and proceed with long-frozen diplomatic normalization talks with North Korea, they said.

The ministry officials said Murayama will also seek to alleviate recent strains in Tokyo-Beijing ties that resulted from Chinese revulsion at Japan's acceptance of a visit by Taiwanese Deputy Premier Hsu Li-teh to the Hiroshima Asian Games in October.

However, Murayama will voice concern about a recent series of Chinese nuclear tests that may force Japan to shrink or halt the size of yen loans to China, they said.

Japan's avowed principles on Official Development Assistance (ODA) link economic aid to a recipient nation's readiness to halt the development of weapons of mass destruction, such as nuclear arms and biological and chemical weapons.

Japan extended some 800 billion yen in loans to China in its third round of loan packages. China is now reportedly seeking the fourth one totaling 1.5 trillion yen.

In his talks with Clinton, Murayama plans to raise such issues as the environment, human rights and AIDS on the agenda, on the assumption that the row over Japan-U.S. framework trade talks has temporarily calmed down.

The summit will be the second since the July summit of the leaders of Group of Seven (G-7) industrial democracies in Naples, when Murayama and Clinton got together for the first time.

More on Tokyo's Agenda

OW0611043594 Tokyo KYODO in English 0326 GMT 6 Nov 94

["News Focus" by Keiji Urakami: "APEC Summit To Trumpet Fanfare, Homework Left to Japan"]

[FBIS Transcribed Text] Tokyo, Nov. 6 KYODO—Leaders from Asia-Pacific Economic Cooperation (APEC) forum members will gather in the Jakarta suburb of Bogor on Nov. 15 to set the grand goal of accelerating free trade and investment in the Asia-Pacific region.

The Bogor declaration at the second APEC informal summit is expected to set the year 2020 as a target for completing trade liberalization in the region.

The declaration may mark a significant occasion for Indonesian President Suharto, who, as the summit's host, is said to want the meeting to be a historical event for his country. But it also means much for the history of the five-year-old APEC.

The declaration's reference to a specific freer trade deadline is considered to give added impetus to transforming the regional group that began as "a loose consultative body" into a more institutional entity.

"The inclusion of the deadline would be a step toward achieving the original APEC aim of promoting an open trading system on a multilateral basis," a Japanese Government official said.

"APEC, along with the European Union (EU), will probably become one of the two major pillars of the global trade activity in the future," said Ippei Yamazawa, who is a Japanese representative of the Eminent Persons Group (EPG), an APEC advisory body.

Despite the triumphant mood nine days away from the APEC summit, the expected content of the Bogor declaration is far from what free trade protagonists australia and the United States think ideal.

The declaration will likely fall short of clarifying the definition of the proposed trade liberalization as well as recommending specific ways to achieve the freer trade plan, many analysts said.

"That would leave the difficult task of coordinating conflicting views and opinions among APEC members to Japan, the host of the next year's APEC summit in Osaka," said Tetsuya Endo, Japanese ambassador in charge of APEC affairs.

"The declaration will become an abstract, comprehensive and political one that skirts sensitive issues," said an official at Japan's Ministry of International Trade and Industry.

"If APEC leaders go too much into definition, it will get them nowhere," the official said.

The free trade target year of 2020 for the Asia-Pacific region was originally shown in a vision mapped out by the EPG.

The vision drew unexpected support from suharto, whose country had been reportedly reluctant to quicken apec's shift to a free trade zone.

Trade barriers in Indonesia are the highest in Asia although it drastically removed part of such barriers recently.

Handling of the Bogor declaration has also been a sensitive issue for Japan, which formally supported the proposed 2020 deadline in late October.

Until that time, Tokyo was sitting on a fence dividing two camps—one in favor of a fast-track approach in the Asia-Pacific area's trade liberalization and the other opposing a quicker tempo of the trade freedom.

Caught between the two opposing forces, Japan had been taking a rather ambiguous "in-between" position.

Ambassador Endo said Japan basically supports the idea of freer trade but is not ready to accept blindly all kinds of liberalization measures.

Endo was referring to rice market opening mandated under the Uruguay Round accords, which he terms as one of the "weak points that all APEC members, except Hong Kong and Singapore, have."

Countries like the U.S., Australia and Canada want APEC more institutionalized, while less developed Asian countries want to see it as a loose consultative body, the concept upheld at the time of APEC's foundation in 1989.

"The difficulty of fully integrating APEC members into one regional economic grouping reflects the diversity of each APEC member in areas ranging from geographical scale, economic development stages and natural resources to growth potential," the EPG's Yamazawa said.

"The U.S. has a very clear logic for supporting quicker liberalization in the Asia-Pacific area—reaping fruits of the booming Asian market by battering down trade barriers there," Yamazawa said.

"APEC can be a useful tool for the U.S. to realize this goal," he added.

But the U.S. ambition drew skepticism among less developed Asian nations like Malaysia, which suspects economic merits from free trade may be exploited by advanced countries alone.

Apparently sensing such a disadvantage, Malaysian Prime Minister Mahathir Mohamed boycotted the first informal APEC summit in Seattle last year, which ended with members setting the U.S-inspired goal of building "a community of Asia-Pacific economies."

But Mahathir will attend this year's summit, prompting speculations Malaysia will finally agree to a free trade plan by 2020.

Many other Asian countries, which seem less eager for quicker trade freedom in APEC, recently shifted toward the U.S. camp.

Each Asian country has its own noneconomic ties with the U.S., prompting the need for each to maintain good relations with Washington, Yamazawa said.

Meanwhile, the U.S. has stepped sideways toward a middle course. Winston Lord, the assistant secretary of state for East Asian and Pacific affairs, said Washington is not considering pushing for something strict like the North American Free Trade Agreement (NAFTA).

APEC leaders will confirm a strong commitment for building a freer trade area in the Asia-Pacific region in the coming Bogor meeting.

"Whatever is set as homework in the declaration, Japan has the responsibility to turn it to practical use before next year's Osaka gathering," Endo said.

Article Discusses Plan To Provide Aid to DPRK

OW0711025094 Tokyo SHUKAN DAIYAMONDO in Japanese 5 Nov 94 p 18

[Unattributed article: "'The Person' Who Forced the Finance Ministry To Say It Will Give $1 Billion for the Construction of Light-Water Reactors in North Korea"]

[FBIS Translated Text] In the wake of the agreement between the United States and the Democratic People's Republic of Korea (North Korea), the settlement of the North Korean nuclear program issue will now focus on multinational assistance to provide North Korea with light-water reactors.

The aid, which is estimated to total $4 billion, will be provided by countries in the "Korea Energy Development Organization (KEDO)," an international consortium organized by the United States. Officials of Japan's Ministry of Finance [MOF] have promptly expressed their intention to contribute approximately $1 billion.

This kind of generosity is unusual for the MOF, which usually keeps a tight hold on its purse strings. But, of course, there are reasons and expectations behind this case.

First, there is reflection on how Japan contributed during the Gulf war. It is fresh in our memory that the United States and others severely criticized "Japan's passive attitude toward international contribution" because Japan made a series of small contributions, even though it offered a total of $13 billion.

"If we are going to give anyway, it is effective to make a generous contribution from the beginning. If we begrudgingly offer a contribution, we will be forced to pay more than otherwise,"—such a judgment is said to be behind the positive attitude of the MOF.

However, there seem to be more complicated political motives as well. First of all, Finance Minister Masayoshi Takemura is said to be one of the pro-North Korea politicians, and his views as the head of the MOF must be strongly reflected in the ministry's decision.

In addition, the influence of former Prime Minister Noboru Takeshita, who shows a strong interest in "interests pertaining to assistance" to North Korea, should not go unheeded. To begin with, many people think Takeshita was the originator of the plan to make arrangements for multinational support in exchange for North Korea giving up its nuclear arms development program.

Takeshita has returned to the Liberal Democratic Party, and he has now come back, taking the place of Shinseito's [Japan Renewal Party] Ichiro Ozawa as the politician who has the greatest influence on Administrative Vice Minister Jiro Saito, who wields authority as the "super" vice minister of the MOF.

Aid to developing countries is now said to be the "international version of public works," and it is becoming a very lucrative business for politicians. Even "zokugiin" [Diet members who specialize in specific issues and can exercise influence on the ministries in charge of the issues] who exercise influence on the issues of respective countries are now emerging.

Besides, North Korea has always had a great interest in getting economic aid from Japan. A sense of wariness is emerging within the South Korean Government that North Korea, taking the current US-North Korea accord as an opportunity, may "try to normalize relations with Japan first, leaving the improvement of North-South relations till later."

Because North Korea has such an intention, a voice has already begun to be raised among diplomatic sources that "from the MOF's recent decision to make a contribution to North Korea, we can tell that Mr. Takeshita will be at the head of North Korean zokugiin."

Nevertheless, it is uncertain whether the issue will be resolved without any trouble in accordance with the calculations of the MOF and some politicians. Above all, there is a simple question: "Why must Japan grant a huge amount of financial aid to North Korea, with which it has no formal diplomatic relations?" Before making any generous contributions, politicians should not forget to give an explanation of the fundamental issues between Japan and North Korea.

Editorial Urges Tokyo To Improve Ties With DPRK

OW0511012694 Tokyo TOKYO SHIMBUN in Japanese 2 Nov 94 Morning Edition p 4

[Editorial: "Japan Urged To Improve Relations With North Korea"]

[FBIS Translated Text] Brisk moves are afoot in northeast Asia, where Sino-South Korea summit talks were held in Seoul following a nuclear accord signed by the United States and North Korea. Although Japan-North Korea normalization talks have long remained stalled, the time is ripe for Japan to embark on improving relations with North Korea.

Chinese Premier Li Peng is now visiting South Korea, meeting with President Kim Yong-sam. The two leaders agreed to strengthen relations between China and South Korea and work to bring about denuclearization, peace, and stability on the Korean peninsula.

Premier Li Peng is the first Chinese leader to visit Seoul. Both China and South Korea have rapidly promoted their economic relations since they normalized their political relations in August 1992. During the Chinese premier's stay in Seoul, the two countries signed an aviation accord opening a new regular flight route between Seoul and four Chinese cities.

Meanwhile, both the United States and North Korea signed the nuclear accord, which calls for clearing up suspicions about North Korea's nuclear development and establishing a diplomatic relationship between the two countries. Northeast Asia has begun making a great move toward leaving the Cold War behind and building peace and prosperity.

Twenty years have passed since "cross recognition" was advocated as a framework for stabilizing the Korean peninsula where the two Koreas confronted each other. The best way is for both North and South Korea to reconcile with each other. However, it is not easy to soften hardened relations between the two Koreas, which waged the bloody Korean conflict. Cross recognition surfaced as the second best policy.

Cross recognition is a blueprint under which Russia and China recognize South Korea, while Japan and the United States recognize North Korea, as part of the efforts to keep from heightening tensions again on the Korean peninsula. North Korea, which opposed the cross recognition as something aimed at "fixing the division of the Korean peninsula," has joined the United Nations along with South Korea, and agreed with the United States to set up liaison offices in the capitals of the two countries. South Korea has already established diplomatic relations with Russia and China.

Only Japan and North Korea have yet to normalize their relations. The Japan-North Korea normalization talks have remained stalled since the 8th round of the talks were broken off in November 1992. At the normalization talks, Japan has asked North Korea to dispel its suspected nuclear development, whereas North Korea has asked Japan to apologize to North Korea and pay war reparations to North Korea for the pre-and post-war period. As a result, the two countries have failed to reach any agreement. When Japan raised the so-called Yi Un-hae issue, about a woman was allegedly kidnapped to North Korea in order to teach the Japanese language to a North Korean female agent accused of planting explosives inside a Korean airliner, North Korea broke off the talks after angrily reacting against Japan for raising the issue.

In response to the nuclear accord signed by the United States and North Korea, three ruling parties—the Liberal Democratic Party [LDP], the Social Democratic Party of Japan [SDPJ] and Sakigake [Harbinger Party]—have firmed up a plan to send a delegation to Pyongyang in a bid to look for clues to the resumption of the stalled normalization talks. The government, eager to build a new order for northeast Asia, supports in principle resuming the stalled normalization talks with North Korea.

Nonetheless, Japan needs not to be in a flurry to avoid "lagging behind other nations." Japan also should not forget to make a clean slate of its past. In September 1990 a joint delegation of the LDP and the SDPJ visited Pyongyang to sign a "three-party joint declaration" with the Workers' Party of Korea. The two Japanese parties went along with a request from the Workers' Party of Korea to insert the "groundless Japanese compensation for post-war 45 years" in the "declaration." The declaration has since become a major hurdle in Japan's diplomatic negotiations with North Korea. The two parties should not repeat the same mistake in the future.

If a planned visit to Pyongyang by a delegation consisting of representatives of the ruling parties is realized, the delegation should confirm the need for Japan to apologize and to compensate North Korea for "its pre-war colonial rule." The delegation also needs to make clear to North Korea that North Korea's adoption of an opening up policy is indispensable for stabilizing northeast Asia.

Specifically, the delegation should articulate to North Korea Japan's position on the "Yi Un-hae issue," the whereabouts of Japanese wives of North Koreans, and the human rights issue. The delegation also should caution North Korea not to divert financial assistance from other nations in its shift to light-water reactors to its military buildup.

Premier Li Peng stated in Seoul, "North and South Korea consist of one people and it is desirable for them to hold a high-level dialogue." We hope that the Chinese premier will confirm the principle that there will be no peace in northeast Asia unless the two Koreas, masters of the Korean peninsula, improve their relations.

Russian Minister Cited on Northern Territories

OW0511170294 Tokyo ASAHI SHIMBUN in Japanese 5 Nov 94 Morning Edition p 3

[By Yoichi Nishimura]

[FBIS Translated Text] Moscow, 4 Nov—Russian Vice Foreign Minister Aleksandr Panov granted an interview to ASAHI SHIMBUN on 3 November. At a recent session of the Russian Lower House, Premier Viktor Chernomyrdin touched on the northern territories issue, and said: "The issue will probably not even be brought up for discussion." Concerning his remarks, Panov said: "Our stance will be based on the Tokyo Declaration." In this way, he stressed Russia's unchanged stance based on the "Tokyo Declaration," which states that negotiations will be continued on settling the territorial issue to conclude a peace treaty at an early date.

Moreover, touching on First Deputy Premier Oleg Soskovets' visit to Japan scheduled to begin on 25 November, Panov regarded it as "the most significant visit since President Boris Yeltsin's visit in October 1993," and stated his hope that the Japan-Russia Committee on Trade and Economic Issues will be formed with the Russian deputy premier and the Japanese deputy prime minister serving as representatives. Panov also stressed that taking the U.S.-Russia Committee as a model, Japan and Russia should form an organization to settle bilateral issues in such fields as trade, economy and scientific and technological cooperation.

Moreover, Panov stated that during Soskovets' visit to Japan, "political issues will not be the major topics," but that "it does not follow that no discussion will be held on political issues." Then, he added: "We are ready to mention the peace treaty issue in the documents we will sign."

Tokyo Planning Financial Aid to Ukraine

OW0511144994 Tokyo NIHON KEIZAI SHIMBUN in Japanese 3 Nov 94 Morning Edition p 4

[FBIS Translated Text] In response to an economic reform program the Ukrainian Government has mapped out in a bid to shift its economy to a market economy, the government has decided to provide bilateral financial aid to the Ukraine which is suffering from shortages of foreign currency. The government will set the amount of bilateral financial aid to the Ukraine by the end of this year. The United States and European nations have already expressed a willingness to provide financial aid to the Ukraine, and the Japanese Government has decided to join these nations in providing financial aid to the Ukraine because of the need for cooperation from European nations in providing financial assistance in North Korea's shift to light-water reactors.

The Ukraine is beset by acute shortages of foreign currency and its inability to pay for imported goods. The Ukrainian Government recently mapped out an economic reform program aimed at cutting state subsidies and promoting privatization. Western industrial nations reviewed the economic reform program at the conference on assistance for the Ukraine held in Canada in late October. At the conference, the United States and the European Union (EU) expressed a willingness to provide $100 million each in financial aid to the Ukraine, but Japan was noncommittal about its financial aid to that country.

An agreement was reached at the July summit of industrialized nations (the Naples Summit) that seven industrialized nations and international monetary organizations would consider providing $4 billion in financial aid to former Soviet republics including Russia and the Ukraine over the next two years. The International Monetary Fund (IMF) decided in late October to extend $370 million in loans to the Ukraine prior to bilateral financial aid by Western industrial nations, and the Japanese Government has decided to specifically examine ways of providing bilateral financial aid to the Ukraine.

As for the issue of providing financial assistance in North Korea's shift to light-water reactors, Japan's position is that not only the United States and South Korea, but European nations also need to cooperate. Therefore, the Japanese Government has reached the conclusion that Japan needs to share an "appropriate burden" of the financial aid to the Ukraine, as hoped for by European nations (according to a government source). The Japanese Government will finalize details of the means for providing the bilateral financial aid to the Ukraine, with the possibility that Japan will be asked to provide the same amount of financial aid to the Ukraine as the United States and the EU.

Tokyo To Train Belarus, Kazakhstan Officials

OW0411100894 Tokyo KYODO in English 0950 GMT 4 Nov 94

[FBIS Transcribed Text] Tokyo, Nov. 4 KYODO—Japan will invite six officials from Belarus and Kazakhstan next week for a training program on establishing a system for controlling nuclear materials, the Foreign Ministry said Friday [4 November].

The ministry and the Science and Technology Agency will sponsor the program, to be held from Monday to

Nov. 12, as part of Japan's support to denuclearize the former Soviet republics, it said.

Japan inked accords with Belarus and Kazakhstan in September on providing support to establish systems to control nuclear materials. The two countries are among the four Soviet republics that inherited nuclear weapons when the Soviet Union collapsed in 1991. Japan pledged 100 million dollars to help the republics denuclearize.

During their stay in Japan, the officials from Belarus and Kazakhstan will visit Japanese facilities to study ways to control, measure and protect nuclear materials, the ministry said. They will also hold talks with experts from the Japan Atomic Energy Research Institute, and Power Reactor and Nuclear Fuel Development Corp.

Foreign Ministry Spokesman Terusuke Terada said he hopes the training program will help prevent smuggling of nuclear materials from occurring in the two countries. From May to August, German authorities made several seizures of nuclear materials which they suspect originated from Russian warhead factories or nuclear laboratories.

More Assistance to Belarus

OW0511003594 Tokyo NIHON KEIZAI SHIMBUN in Japanese 1 Nov 94 Evening Edition p 1

[FBIS Translated Text] The Japanese Government will aggressively provide technical assistance to Belarus, which is now hurrying to revamp its nuclear nonproliferation system. The Science and Technology Agency and the Japan Atomic Power Research Institute [JAPRI] will provide Belarus with an information system to monitor and control the storage and movement of nuclear fuels—including uranium—and technology to manufacture measuring instruments. Using the information system and technology, Belarus will establish a new system of controlling nuclear materials by the end of 1995. Japan has expressed a willingness to provide former Soviet republics with the same information system and technology, and Belarus will be the first former Soviet republic to receive such technical assistance from Japan.

Belarus has no nuclear power plants, but it has an experimental atomic reactor in a research institute called the Susoni [name as published] Center. The atomic reactor is believed to have several kilograms of highly enriched uranium. Belarus joined the nuclear Nonproliferation Treaty (NPT) this February, obliging itself to receive nuclear inspections from the International Atomic Energy Agency (IAEA). Belarus, which was a nuclear power before becoming an independent nation, still has no knowledge about how to implement a safeguards agreement it has concluded with the IAEA. For this reason, Japan, the United States, Sweden, and the IAEA have recently formulated a concrete assistance plan at the end of their consultations.

Under the assistance plan, Japan will provide Belarus with an information system for monitoring and controlling nuclear materials, which uses personal computers developed by the JAPRI. Japan also will provide Belarus with the technology and instruments to measure quantities of nuclear materials, and the instruments will be installed at the Susoni Center. Japan will help Belarus renovate its current telecommunications system into a system that makes it possible for Belarus, Japan, and the IAEA to exchange information on the nuclear materials in Belarus through telephone circuits or satellites.

Protection wards, the control of incoming and outgoing people, and monitoring devices in the Susoni Center are insufficient. In concert with the United States and Sweden, Japan will renovate the center into a structure which makes it hard for nuclear materials to flow outside. The JAPRI, that has already offered Belarus the information system, plans to install it in the center within this year.

Last year, Japan decided to provide $100 million in technical assistance for dismantling nuclear weapons in Russia and other former Soviet republics. Japan's technical assistance to Belarus is likely to become a model case for international cooperation.

Former Germ Warfare Unit Being Operated in PRC

OW0511142994 Tokyo KYODO in English 1337 GMT 5 Nov 94

[FBIS Transcribed Text] Shizuoka, Japan, Nov. 5 KYODO—A private research mission reported Saturday [5 November] it has confirmed the existence of an infamous bacteriological warfare unit of the defunct Japanese Imperial Army in China.

The group told KYODO News Service the South China Quarantine and Water Supply Department, known as the Nami (Wave) 8604 Unit, operated at Zhongshan Medical University, formerly the medical faculty of Zhongshan University, in Guangzhou.

Up to now little has been known about the unit, except through the account of a former member who testified that many Chinese refugees were killed in bacteriological tests there.

It is said to be one of at least four bacteriological warfare units operated in China by the Japanese Imperial Army during World War II.

The research mission, led by Yoshiya Kasukawa, a local government employee from Shiogama, Miyagi Prefecture, reported the discovery of the unit's headquarters after returning from a four-day tour of Guangzhou which began Tuesday.

The group said the unit's headquarters remained almost intact and statements by local witnesses and official records held by the Chinese Government agreed with the account of the unit's former member.

The group said that according to information it had obtained, Nami 8604 was formed in September 1938.

The first commander of the unit was army surgeon Maj. Iwao Tanaka. Its staff of several hundred medical and water treatment experts engaged in malaria and other bacteriological research work, the group said.

Shigeru Maruyama, 77, a former member of the unit who now lives in Kawasaki adjacent to Tokyo, testified that a large number of Chinese refugees from Hong Kong died after they were given water containing typhus-causing bacteria, brought from an Army medical school in Tokyo.

He also said the unit kept many rats for experiments on spreading plague.

Maruyama said he saw a surgeon attached to the unit conduct anatomical surgery on victims almost every day. Many bodies were stored in the basement of the unit's building, he added.

The research mission said a Chinese resident of a city near Guangzhou told them he developed diarrhea and stomach pain after taking bacteria-spiked rice gruel offered by the unit.

Another Chinese witness reportedly said there was a pond of chemicals inside the university's compound which was used to dissolve the bodies of prisoners, many of them starved to death.

MOF To Maintain Financial Monitoring System

OW0711120594 Tokyo TOKYO SHIMBUN in Japanese 6 Nov 94 Morning Edition p 3

[FBIS Translated Text] It was revealed on 5 November that at negotiations on the financial services sector under the Japan-U.S. framework talks, the United States demanded that Japan abolish its licensing and preliminary reviewing systems connected with international capital transactions. The United States hopes to relieve the office work load in foreign-affiliated financial organs in Japan, and Japan is expected to agree to certain deregulation such as large scale simplification of procedures connected with requirements for submitting reports on foreign exchange transactions. However, depending on developments at the negotiations, the issue on revising the Foreign Exchange and Foreign Trade Control Law may be expected to be taken up as a new subject. Therefore, Japan may face a serious situation at the talks. The next round of talks is scheduled for Tokyo this month.

This demand was brought up at previous rounds of talks, and Japan has pointed out: 1) Fluctuation in foreign exchange rates will have seriously different influences on the real economy in Japan and in the United States; 2) since the United States lacks a correct understanding of the Japanese system of controlling foreign exchange, it has failed to clearly state the purpose and effects of its demand on deregulation. In this way, Japan has indicated its cautious approach towards agreeing to this demand.

Due to the yen's sharp appreciation in the first half of 1993, enterprises have had decreased profits and management has become dispirited in Japan, where the economy depends on its imports and exports to a great extent. Its real economy tends to be seriously affected by exchange rates. Therefore, the Ministry of Finance [MOF] intends to maintain the monitoring system which includes the licensing system for issuance of the yen-based Euro bonds, and the examination system of foreign loans through prior registration.

However, foreign-affiliated financial organs in Japan have voiced their criticism in various ways. For example, "It costs too much to prepare reports in the Japanese language and have them examined. This is one of the reasons causing the hollowing-out of the market at the Tokyo Stock Exchange. Therefore, the Finance Ministry intends to try and win the understanding of the United States by maintaining that "efforts will be made to simplify procedures as much as possible within the framework of the existing laws."

MOF Eyes U.S. Casualty Insurance Derivatives

OW0711112894 Tokyo KYODO in English 1114 GMT 7 Nov 94

[FBIS Transcribed Text] Tokyo, Nov. 7 KYODO—The Ministry of Finance [MOF] is considering adopting advanced U.S. derivative products used to hedge risks on typhoon and other casualty insurance policies, ministry officials said Monday [7 November].

The ministry is encouraging the private-sector side to begin trading the advanced hedging instruments, which are expected to involve banks, in opening the way for lowering operational barriers between the banking and insurance industries, the officials told KYODO News Service.

The officials said the ministry is focusing on over-the-counter trading of catastrophe reinsurance futures and options contracts that were launched by the Chicago Board of Trade in December.

The ministry sees the move as possible despite the government's decision to shelve entry by banks and securities firms into the insurance business for the first time in five years through its insurance law reform slated for implementation in 1996, the officials said.

"The prime principle for financial system reform is to introduce new products regardless of different industries," said a banking bureau official, stressing the insurance law reform will not become an hindrance for banks to deal in the new derivative instruments even though they involve casualty insurance policies.

In the United States, catastrophe futures have not yet gained transactions, but investors are starting to show interest in options—trading that gives buyers the right but not the obligation to buy or sell at a set price, an analyst at a U.S.-affiliated brokerage house said.

In effect, the options contracts offer the protection in the same way as an excess of loss reinsurance contracts used by underwriting insurance firms.

These derivative instruments came into light in the U.S. in 1992 as a spate of record-breaking disasters underscored that the conventional insurance and reinsurance method is inadequate to cope with catastrophic risks, the analyst said.

The 1992 disasters included Hurricane Andrew that swept through Florida to leave record losses, and Northridge earthquake, which hit California with the second largest loss.

In this sense, the ministry officials said the advanced hedging tools are needed in Japan where typhoons and earthquakes are very common every year.

MOF Issues Licenses to Banks' Securities Units

OW0411080294 Tokyo KYODO in English 0252 GMT 4 Nov 94

[FBIS Transcribed Text] Tokyo, Nov. 4 KYODO—The Ministry of Finance [MOF] on Friday [4 November] issued securities licenses to five securities firms set up by major commercial banks, ministry officials said.

The licenses went to DKB Securities Co., Sakura Securities Co., Fuji Securities Co., Sanwa Securities Co. and Mitsubishi Diamond Securities Co. They are scheduled to start operations on Nov. 24.

Next Thursday, the ministry is also expected to issue a license to Sumitomo Capital Securities Co., which had earlier been refused credentials following a dispute between Sumitomo Bank and banking authorities over the name of the bank's brokerage arm. The Sumitomo brokerage is also planning to start operations on Nov. 24.

MHW Reviewing Pension Fund Consignments

952A0097A Tokyo NIHON KEIZAI SHIMBUN in Japanese 31 Oct 94 p 3

[FBIS Translated Text] The Ministry of Health and Welfare [MHW] has begun a study to review regulations on the allocation ratio (share) of consigned assets to various financial institutions in the management of welfare pension fund assets. Previously, they had allocated new premiums to various companies according to the share of the consigned assets balance, but this is a policy that will revise the system so that they can establish the share of new premiums separately. They will form a conclusion on whether it can be implemented within the year. If regulations are relaxed, it seems that there will be an active move to review consignment shares.

Many welfare pension funds are embracing latent losses in working assets such as stock with the worsening of the investment environment these past few years. Under the current system, when they want to review shares they must sell the assets and convert them to cash. For this reason, the latent losses surface and there is the disadvantage that the assets will lose weight.

If they can establish just the share for new premiums separate from previously invested assets, it will be possible to consign just the new premiums to financial institutions which have good investment records. Assets that embrace losses will continue to be consigned to the same financial institutions and they can wait for the latent losses to recover.

However, the view of financial institutions is that "share changes will increase and we will not be able to respond administratively," and they are thinking of attaching some conditions.

Murayama To Review Regulations on Imports

OW0711005594 Tokyo KYODO in English 0050 GMT 7 Nov 94

[FBIS Transcribed Text] Tokyo, Nov. 7 KYODO—Prime Minister Tomiichi Murayama said Monday regulations and business practices which hinder import growth should be reviewed so the Japanese people can live in affluence and have more consumer choices.

Murayama made the remarks at a meeting of the trade conference, an advisory panel on trade issues to the prime minister.

Business executives at the conference asked Murayama to map out a proposed five-year deregulation program at an early date to help promote imports.

Members of the conference include business executives as well as representatives from consumer groups.

Ministers, Business Adopt Deregulation Package

OW0711033094 Tokyo KYODO in English 0320 GMT 7 Nov 94

[FBIS Transcribed Text] Tokyo, Nov. 7 KYODO—A conference of cabinet ministers and top industry officials Monday adopted a package for promoting economic deregulation by correcting Japanese business practices that tend to restrict competition, government officials said.

Prime Minister Tomiichi Murayama presided over the meeting of the trade conference, an advisory panel on trade issues to the prime minister, as it worked out the first government-industry agreement on economic deregulation.

The package, aimed at opening Japanese markets to foreign companies and expanding imports, was based on the principle that economic regulations should be abolished in principle and applied only in exceptional cases.

The principle was hammered out in December 1993 by an advisory panel to then Prime Minister Morihiro Hosokawa.

Murayama told the conference that existing regulations and some business practices which tend to hinder import growth should be corrected so that the Japanese people can live in affluence and have more choice as consumers.

The conference was attended by cabinet ministers top officials of Mitsubishi Heavy Industries Ltd. and other major companies, and consumer representatives.

Murayama Said Planning Cabinet Reshuffle in Dec

OW0411125094 Tokyo YOMIURI SHIMBUN in Japanese 2 Nov 94 Morning Edition p 1

[FBIS Translated Text] Prime Minister Tomiichi Murayama has begun to study the possibility of reshuffling his cabinet immediately after the current Diet session (which will end on 3 December) to strengthen the foundation of the coalition administration composed of three parties—the Liberal Democratic Party [LDP], Social Democratic Party of Japan [SDPJ], and New Party Sakigake [Harbinger]. This was disclosed on 1 November by several government and ruling party sources close to the prime minister. In particular, as there is a movement within the SDPJ to form a new party, the prime minister wants to establish a whole party system [kyoto taisei] by reshuffling his cabinet. At the same time, it seems he also intends to clarify his administration's stand of tackling policy tasks by renewing official's [jinshin] minds, because next year is the 50th anniversary of the end of World War II. However, the cabinet is less than six months old and movements by the ruling and opposition parties aimed at reshuffling the political world are becoming active. Therefore, some members of the ruling parties are assuming a prudent stand toward the idea of reorganizing the cabinet at this time.

Since his inauguration in late June, Prime Minister Murayama has been preparing bills to reform the tax system and redraw the lower house single-seat representative election district lines, which are political tasks he took over from the previous administration. For the time being, the prospect is that the bills will be approved during the current Diet session.

Because of this, it seems the prime minister is leaning toward the view that it is necessary to renew cabinet members in order to buckle down to new tasks, including settlement of postwar issues and administrative reform, which is the most important task of his cabinet.

Moreover, ever since SDPJ Secretary General Wataru Kubo proposed the concept of forming a "New Democratic Liberal Party," the gap within the SDPJ between the group that supports the prime minister and Kubo's supporters, is becoming deeper. Moreover, there is a movement among some members of the "New Democratic Alliance," which supports Kubo, to secede from the party and form a new party instead. It seems the prime minister is trying to strengthen party unity by reshuffling the cabinet.

Meanwhile, regarding the LDP, its President and Foreign Minister Yohei Kono, delayed a reshuffle of the party executive whose terms of office expired in September. There are several reasons for the delay: One is the fact there are no posts that could be offered to ministers when they resign from the cabinet. Therefore, some LDP members welcome Murayama's cabinet reshuffle plan, saying: "We will be able to work on the pending personnel issue regarding executive members if the cabinet is reorganized."

As for the timing of the cabinet reshuffle, the likelihood is that it will take place early next month, immediately after the current Diet session ends. But, we can also expect it to be delayed until the end of this year, or after compilation of the fiscal 1995 budget, depending on how the Diet session and political situation progress in the future.

Regarding the scale of the cabinet reshuffle, it seems the prime minister wants to minimize it by replacing mainly SDPJ ministers. But there is a possibility it may become a major cabinet reorganization depending on the LDP's intentions.

Some members of the current cabinet are strongly dissatisfied, saying: "Serving in the cabinet for only six months is too short." Many of them are saying: "There will be trouble between the ruling parties if the cabinet is reshuffled."

Moreover, it is also possible the situation in the Diet may become tense during the final phase of the current session; the opposition parties' lower house parliamentary group "Reform," which is expected to form the New-New Party, may strengthen its offensive stance in seeking an early dissolution of the lower house and the holding of a general election. Therefore, some uncertainties still remain as to whether or not the prime minister will be able to carry out his cabinet reorganization in the way he wishes.

SDPJ Reacts to Possible Reshuffle

OW0511054694 Tokyo YOMIURI SHIMBUN in Japanese 3 Nov 94 Morning Edition p 4

[FBIS Translated Text] On 2 November, Prime Minister Tomiichi Murayama reportedly mentioned the possibility of "a cabinet reshuffle after the current Diet session," and this created a stir among the ruling and opposition parties. Members of the Liberal Democratic Party [LDP] generally supported the prime minister's cabinet reshuffle proposal, as many of them are waiting for vacancies in the cabinet posts. However, the Social Democratic Party of Japan [SDPJ], the party of the prime minister, showed mixed reactions to the proposal due to complicated situation in the party. Some quarters in Kaikaku [Renovation], a united floor group of the noncommunist opposition parties, want the cabinet reshuffle since it may trigger a breakup of the SDPJ. All parties are carefully watching the development of the cabinet reshuffle issue.

Generally speaking, SDPJ groups close to Murayama and pro-SDPJ labor unions support the cabinet reshuffle proposal because "it is helpful to strengthening the unity of the party." Some SDPJ members are frustrated with the current lineup of the cabinet because most of the cabinet posts for the SDPJ are occupied by pro-Murayama members, and the SDPJ leadership views this is the reason General Secretary Wataru Kubo and the Shin Minshu Rengo [New Democratic Alliance] (led by former SDPJ Chairman Sadao Yamahana) are seeking a split from the SDPJ. In this regard, an SDPJ source said: "The prime minister's consideration of a cabinet reshuffle is good for strengthening the unity of the party, whether it comes true or not.

Some of pro-Kubo groups welcomed the moves, saying "action to seek the party unity is a matter of course." However, many others said: "They are obviously trying to attract us with cabinet posts to check our moves to leave the party. We will not fall into such a trap."

In the 2 November speech given in Tokyo, Democratic Socialist Party Secretary General Kansei Nakano also called for SDPJ members' caution on the cabinet reshuffle proposal. In hope for the New Democratic Alliance's split from the SDPJ, Nakano stated: "I believe the SDPJ members are firmly determined to split from the party, and they will not be interested in such an offer."

Even a cabinet member close to Murayama showed a negative view on the cabinet reshuffle, noting "it is ridiculous to encourage internal frictions in the SDPJ." He said he would advise Murayama to postpone the cabinet reshuffle until the end of the 1995 ordinary Diet session.

However, LDP members have great expectations for "the prime minister's possible decision." A senior official of the LDP Mitsuzuka faction said: "If the prime minister reshuffles the cabinet, that would be followed by a reshuffle of the LDP executive posts. We will be able to have fresh leaders."

Commenting on various speculations among politicians, Prime Minister Murayama said the following to reporters on 2 November: "the cabinet reshuffle would not happen. I am not even thinking of that." At the prime minister's office in the evening, Construction Minister Koken Nosaka also denied the cabinet reshuffle, saying "that is a groundless rumor."

Komeito Creates Two New Parties Prior to Merger

OW0511083694 Tokyo KYODO in English 0730 GMT 5 Nov 94

[FBIS Transcribed Text] Tokyo, Nov. 5 KYODO—Komeito's [Clean Government Party] national deputies voted unanimously Saturday [5 November] to disband Komeito and split its organization into two new parties with an eye to integrating both into a grand opposition party to be formed in December.

The deputies approved a proposal to push a two-phased program under which the newly created "Komei New Party B" will immediately join the grand opposition party while "Komei New Party A" will join at a late date.

The crucial balloting was held at the 33rd national convention of the nation's second-largest opposition party at a Tokyo hall. The vote put an end to the Buddhist-backed party's 30-year history since its 1964 founding.

The move is aimed at helping the new opposition party take back the reigns of government from the tripartite coalition of Prime Minister Tomiichi Murayama, comprising the Social Democratic Party, the Liberal Democratic Party and New Party Sakigake [Harbinger].

Komeito will be one of the core parties in the planned new oppuition party. Other participants will include Shinseito [Japan Renewal Party], the Democratic Socialist Party (DSP) and the Japan New Party (JNP). They will jointly call an inaugural meeting of the new party Dec. 10.

The disbanding of Komeito will formally take effect Dec. 5, party officials said. The party has drawn strong electoral support from a nationwide network of followers of Soka Gakkai, the lay Buddhist organization that reportedly has millions of followers.

On Oct. 30, the JNP decided to disband in line with the burgeoning integration momentum.

Komei New Party A will retain the current party's 3,000 local assembly legislators and 11 House of Councillors lawmakers whose Diet seats will not be challenged until a 1998 upper chamber election.

Komei New Party B will take over the party's 52 House of Representatives legislators and the remaining 13 upper chamber lawmakers whose seats will be up for grabs in next year's upper chamber poll.

Under the two-phased integration program approved by the convention deputies, Komei New Party B will join the new opposition party from the onset of its Dec. 10 inauguration.

Komei New Party A will contest upcoming simultaneous elections for local assembly legislators and heads of local governments slated for next April by drawing strength from the party's existing local supporters' network, party officials said.

Komei New Party A will eventually join the new opposition party, but the timeframe for the planned integration has yet been decided, they said.

Komeito chairman Koshiro Ishida told the convention the grand opposition party is designed to "accomplish policies our party is eyeing by forming a large political force with the peoples of other parties with the same ideals."

"The Murayama administration has not received any public verdict through an election," Ishida said. "The administration should call a general election as quickly as possible under the new electoral system."

Ishida made the statements from the convention rostrum in the presence of Shinseito leader Tsutomu Hata, JNP leader Morihiro Hosokawa, former Prime Minister Toshiki Kaifu and Jinnosuke Ashida, president of the 8-million-member Japanese Trade Union Confederation (Rengo).

Hata Urges Murayama To Hold Early Election

OW0511131794 Tokyo KYODO in English 1254 GMT 5 Nov 94

[FBIS Transcribed Text] Matsuyama, Japan, Nov. 5 KYODO—Opposition leader Tsutomu Hata urged Prime Minister Tomiichi Murayama on Saturday [5 November] to speedily dissolve the House of Representatives and hold a general election as soon as a new electoral system becomes effective.

Hata, whose two-month government was overthrown by the present coalition in June, said that after a package of electoral reform bills becomes law, he will demand that Murayama take such action at the earliest possible time.

"When a new system is established, it is the constitutional government's normal practice to dissolve the lower house immediately," Hata, who heads Shinseito (Japan Renewal Party), told a news conference in Matsuyama, western Japan.

The package, which cleared the lower house Wednesday, is expected to be enacted into law with an approval by the House of Councillors in mid-November.

The new electoral system for the lower house would replace the current 511-multiseat constituency system with a combination of 300 single-seat constituencies and 200-seat proportional representation.

Hata said "one month is enough" as a necessary period to allow voters to understand the new electoral system.

"It is possible to dissolve the lower house at the end of December, a?d ?old a general election in January," Hata said.

Criticizing the Social Democratic Party (SDP), headed by Murayama, as "moving in a different direction from the one it had promised" in the previous general election in July 1993, Hata stressed the need to let the people express their views through an election.

Following the last election, the Liberal Democratic Party (LDP) surrendered its 38-year grip on power in August 1993 to a former coalition government, including the SDP, then the largest opposition party. But the LDP returned to power last June, by surprisingly forming the current coalition government with its archrival SDP, as well as New Party Sakigake [Harbinger], an LDP splinter group.

Hata, who in April succeeded former Prime Minister Morihiro Hosokawa as leader of the previous coalition government, then succumbed to the three-party alliance now in power, is planning to set up a large new opposition party comprising most of the opposition groups apart from the Japanese Communist Party.

Members of the planned new party are trying to pick its first leader before its inauguration on Dec. 10. But Hata suggested it is possible there will be no party leader for the time being, saying, "we don't have to make haste to choose a party head."

Hata is seen as a candidate for the post of new opposition head, along with Hosokawa and Toshiki Kaifu, another ex-premier, who quit the LDP in June after a failed bid to become a premier with the support of opposition forces.

Ozawa Not Seeking Early Elections

OW0611082594 Tokyo KYODO in English 0736 GMT 6 Nov 94

[FBIS Transcribed Text] Tokyo, Nov. 6 KYODO—Ichiro Ozawa, the mastermind behind a proposed new major political party, said Sunday [6 November] the opposition camp is not in favor of holding a general election at an early date pending formulation of policy plank of its own.

"We are not asking for general elections right now," Ozawa said in a Japan Broadcasting Corp. (NHK) program.

Ozawa, secretary general of the leading opposition party Shinseito [Japan Renewal Party], said the opposition camp can await the next poll until it works out administrative reform, economic and foreign policies.

He also said his role in the projected new opposition party will be that of a coordinator.

The remarks were interpreted as Ozawa's readiness to assume the post of secretary general in the new party, which will be launched by Shinseito, Komeito [Clean Government Party], the Democratic Socialist Party, Japan New Party and several other noncommunist parties on Dec. 10.

In a related development, Keizo Obuchi, vice president of the ruling Liberal Democratic Party (LDP), said at a news conference in Gifu that a cabinet reshuffle is unlikely before a fiscal 1995 budget program is drawn up.

Impact of New Districting Plan on Politicians

942A0747A Tokyo KANKAI in Japanese Oct 94 pp 20-39

[Article by KANKAI political reporters: "What Will Happen With the New System of Single-Seat Electoral Districts? Survival Strategy for Nagata-cho 'Influential Men'']

[FBIS Translated Text] **Survival Game Without Morals**

The House of Representatives electoral redistricting panel (Tadao Ishikawa, chairman) made its recommendations on a 300 single-seat electoral district mapping proposal to Prime Minister Murayama on 11 August. The House of Representatives redistricting bill was submitted to the extraordinary session of the Diet that was convened on 30 September and approval within the year has become a certainty. When will an election based on the new system be carried out, and, at that time, which parties will gain and which parties will be at a disadvantage?

The new electoral system for the House of Representatives will have 300 single-seat electoral districts and 200 legislators elected by proportional representation in 11 blocks nationwide, for a new total of 500 seats for the House of Representatives, and the biggest characteristic will be the change from previous elections on an individual basis to elections on a party basis. The previous redistricting bill, like the bill at the time of the Kaifu cabinet, first allocates one seat to each prefecture, then divides the remaining 253 [single-seat districts] equitably by the population of each prefecture in an attempt to make the differences between votes as small as possible. However, because of first making allocations to each prefecture, it was impossible to hold this difference to less than two, and there is one more electoral district where the difference is more than double from the proposal of the Eighth Election System Council in the Kaifu era, and a question has remained from the start on the issue of the equality of each vote.

By introducing the single-seat electoral district system, however, the fights between Liberal Democratic Party [LDP] colleagues that had developed in the previous medium-size electoral districts will disappear. One objective of introducing the system, the removal of abuses by factions, will probably be achieved. It is also a system that gives centripetal force to today's small parties that are trying to unite as one. Looking farther into the future, the regional ties for each of the 11 blocks are strong, and a system resembling large states combining several prefectures centering on the 11 blocks will probably be realized from the regional system centering on the current prefectures. The previous allowances for political parties will no longer be permitted and a system open to the public will probably be devised.

It is a case where it would be ideal to make an effort to educate everyone on this system. The reality, however, is that it will probably proceed in a different form. Election system reform will probably swim with the current of decentralization of power. Moreover, unable to create a party check system at all, a "dual power" kind of dictatorship by the responsible person, representative secretary, or secretary general of a party may begin. In addition, it is not yet certain which parties are getting ready to face the public. Newspapers and magazines have conducted extensive "simulations" by applying the number of votes won in the general election of July 1993 to the single-seat electoral redistricting, but a lack of reality is that the reliability of any of the combinations is not being questioned at all, and the attitude of simply making a parallel between public opinion at the time of the new party boom last year and current opinion which is becoming rather indifferent to politics must bring doubts. Nothing at all is known and what will happen in the future is even more unknown.

The result of the simulations, however, are interesting. There also are cases where the numbers are set off by themselves and care is needed in computing them, but in the estimates by TOKYO SHIMBUN, if the ruling parties unite, they will capture 295 seats, and the former coalition will capture 191 seats. SANKEI SHIMBUN also has made the analysis that "even if the LDP and Social Democratic Party of Japan [SDPJ] election cooperation fails, the former coalition will inevitably have a tough battle." If the ruling parties cooperate, they will pture 190 to 237 seats just in the single-seat electoral districts. YOMIURI SHIMBUN has made the analysis that, "whatever the combination, the ruling parties will capture over 300 seats."

At any rate, viewed as a piece of reference data, they may be numbers for reference. Behind the appearance of such numbers, doesn't a rather more advanced trend now vaguely begin to appear?

The tide of "public opinion lacking confidence in the LDP" or public opinion that "the LDP is totally negative" that arose with the cabinet vote of no confidence in June 1993, the dissolution of the House of Representatives, and small splits in the LDP is now subsiding. Though proceeding awkwardly, the SDPJ, whose experience as a ruling party has come to be viewed a little objectively, has begun to search for a method of fusing ideals and reality. The former LDP Takeshita faction group—Shinseito [Japan Renewal Party]—which had boasted that it was a monolith, has begun to show rips at the seams internally along with degradation into an opposition party. Unable to establish a unified political course, Rengo, which had boasted of spectacular battle results in the 1990 general election, is attempting to revert to an economic pressure group. The catch phrase "reform or conservatism" has begun to be soiled by shady handling and is no longer accompanied by substance. Although there are groups that have made political reforms, there also are groups that stress the point that real political reform with Diet reform and decentralization of power has not been made at all and other than election system reform, it seems that hardly any consensus has been made.

Wouldn't attempting to apply such a trend overall to the recent redistricting indicate the current atmosphere more than bringing up now the number of votes captured which was the accumulation of public opinion last year?

It seems that the following can be said.

The LDP has been restored to government rule and has power in its hands. Fear of single-seat electoral district elections will still work to the advantage of the ruling parties when the House of Representatives is dissolved and a general election is held. Aside from the case where they will be driven into a corner and be forced to proceed with dissolution, if they hold the schedule for controlling the political situation, naturally they will dissolve it when their top opponent is weak and their own camp is strong. If the former coalition were still to hold political power, rather than saying it would be an overwhelming victory for the former coalition, the LDP would no longer be able to withstand a single-seat electoral district election and it would probably be driven into a split. However, isn't the current situation the reverse of such a trend?

The former coalition has lost its centripetal force and each party is beginning to head in separate directions. The Democratic Socialist Party [DSP] is showing interest in marshalling social democrat liberals. Turning this the other way, they can probably accept snuggling up to the regime. Komeito embraces Soka Gakkai problems, and always being the hostile opposition party is probably rather painful. Some Japan New Party [JNP] legislators still have strong "antiIchi-Ichi" [Ichiro Ozawa-Yuichi Ichikawa] feelings. The moves of Keiwa Okuda and others of Shinseito also are probably a link to marshalling liberals in a sense.

Amidst this, the LDP is beginning to live toughly. The influence of senior legislators is declining before their eyes and there are no vestiges of the old faction bosses. The groping for a new urban party is an inevitable move upon which survival depends.

Amidst such action, a centripetal force is operating in the LDP and, although late, the SDPJ also is deeply impressed with the importance of marshalling social democrats. However, they will not part with the power that has come into their hands along with the LDP. That being the case, the scenario can be imagined where they will incorporate into the regime the DSP, JNP, and perhaps even Komeito, and later, even two years or more later, face a general election after a divorce by agreement with the LDP. It is a case where the LDP remains as one core, the social democrat liberals are another core, and the Japan Communist Party [JCP] and Shinseito remain as extreme parties at the right and left poles.

It goes without saying that what holds the key is whether the new-new party will be created under Shinseito leadership in a form that has completely united the former coalition. That being the case, there is a possibility that the three parties of the LDP, SDPJ, and Sakigake will be driven to an early dissolution which they do not want in the face of an attack by the opposition parties. However, so long as the new-new party is not created, the power of the LDP, SDPJ, and Sakigake will probably still progress with slight stability.

Keisuke Nakanishi, in charge of elections, proposed at a Shinseito study meeting that veteran legislators be moved to the proportional districts. However, will those ranking preferential treatment for cabinet posts when they had been in the ruling party leave their electoral districts? Acting representative Secretary General Kozo Watanabe proposed a moratorium of one year on the question of the new-new party, but was immediately bathed in criticism of "irresponsibility" from within the former coalition. Who to make the pitcher is more difficult by far than when the LDP chose President Kono.

However, if the redistricting bill is approved within the year and they are driven to early dissolution and a general election at the beginning of next year, the LDP will undoubtedly have a reduction in the seats that they currently hold. That is because at that time, the former coalition will probably become spirited and put together the new-new party all at once to run in the election. There also is a great possibility of a split in the SDPJ at that time. The new-new party will probably capture seats greatly exceeding a majority and there will be a new government.

So long as that does not develop, won't a general election be put off until the winter of next year or the year after next? In the meantime, will Shinseito demonstrate as much power as possible and unite the former coalition? The fear has not been extinguished that the first election with single-seat electoral districts that were created with political reform will develop into a battle without morals by those mad for power who are risking their lives in a survival game rather than into a fight by noble-minded patriots in a restoration that burns with ideals.

So, let's take a look at the fighting style of the various parties while viewing the new electoral district situation for the current and former heads of the various parties. These particular situations strictly presume a case where dissolution and a general election will be conducted soon. If the election is put off for a long time, it is possible that the situation in various electoral districts also will slightly change.

Estimated Number of Seats Captured by Each Party if Dissolution and a General Election Were Held Directly After Approval of the Redistricting Bill (KANKAI Investigation)

Party Estimated Number of Seats	Total	Single-Seat	Proportional	Currently Held Seats
LDP	262	206	56	200
SDPJ	59	20	39	73
Sakigake	22	12	10	21
Ruling Parties Total	343	238	105	294
Shinseito	46	30	16	62
Komeito	35	6	29	52
JNP	18	5	13	33
DSP	23	8	15	19
Jiyuto [Liberal Party]	4	4	0	7
Mirai	4	3	1	5
Former Coalition Total	130	56	74	178
JCP	21	0	21	15
Unaffiliated	6	6	0	22
Totals	500	300	200	509

Note: Considers state of progress in current situation such as new-new party as basis. Presumes that groups supporting SDPJ left will be added to JCP, and "Koshikai" and others are treated as unaffiliated.

What Will the Big Shots Do?—Caprices of the Single-Seat Electoral District

LDP President Yohei Kono (Deputy Prime Minister, Foreign Minister)

The situation of too many ruling party and opposition party candidates seems pronounced in Kanagawa Prefecture where the current five medium-size electoral districts will become 17 single-seat electoral districts.

Hirazuka city, where LDP President Yohei Kono has his residence, is the new 15th district, and Odawara city, which is his hometown, is the new 17th district. The biggest concern for other candidates has been in which district the preeminently strong Kono will run, but insofar as Odawara city has been his traditional base since his father Koichiro, it is strongly considered that he will be a candidate from the 17th district. Shinichi Koizumi from the JNP, who considers his main base to be Hadano city, and Junichi Tsuyuki, a former NHK political reporter and close to Shinseito, are desirous of running in this new 17th district.

Without waiting for Kono's candidacy declaration, Mitsuo Tomizuka, a former SDPJ legislator, has announced early that he will run from the new 15th district in order to avoid a direct confrontation with Kono and has shown that he is prepared to move his base of activities quickly to Hirazuka city or Chigasaki city. However, Chigasaki city is the home base of Mankichi Kato, chair of the SDPJ Election Committee. Kato is considering a transfer to the new 12th district. A commotion has been generated centering on Kono. Tsuyuki is also a person who dances to Kono's tune. Tsuyuki had originally attempted to run in the next general election with the help of previous LDP Secretary General Seiroku Kajiyama, but he clashed with Kono because he strongly wanted to run from Odawara city, which was his base, and ultimately he changed to the Shinseito side.

Kono himself is certain to win election, but his deep worry as LDP president is that LDP forces are not strong in the prefecture. That is because the LDP will inevitably have a crushing defeat for the most part if the former coalition runs unified candidates. In addition, should they line up candidates who want to run in districts where there are no incumbents? It seems that the typical urban electoral district prefecture fighting methods will decide the results of the election as a whole.

Former Prime Minister Kiichi Miyazawa

The Miyazawa regime failed in election system reform and ended the long-term LDP one-party government rule, but if the single-seat electoral district election of former Prime Minister Kiichi Miyazawa is fought normally, there is a strong sense that it will be a winning battle, even if it is not an easy win. The redistricting of Hiroshima Prefecture is per the Kaifu proposal and the prefecture is divided into seven electoral districts. Hiroshima city is the 1st to 4th districts, the 5th district centers on Kure city, and the 6th district centers on Onomichi city. The new 7th district will include Miyazawa's home of Fukuyama city and Numakuma-gun.

The LDP endorsement of Miyazawa is certain, and it seems that his competitors will be Minoru Yanagida, the DSP incumbent legislator, and Shin Uda, who ran as an independent in the previous election and finished as runner-up. The number of votes obtained by Miyazawa in the previous election was 123,800 votes, and he won election grandly as the top vote-getter. On the other hand, Yanagida had 73,400 votes and Uda had 56,400 votes. Since, different from the current 1st district, there is no foundation vote for Shinseito, an overlay cannot be expected if Uda has Shinseito endorsement, and it will end up a splintered election for the former coalition. It seems that he can rest easy in the next election.

The concern of the Miyazawa camp now is countermeasures for the aging of his camp and supporters. That is to say, it is because the tacit understanding is that the successor if Miyazawa retires will be Yoichi (eldest son of House of Councilors member Hiroshi and nephew of the former prime minister; private secretary to the former prime minister), but since the supporter organization has aged, it is believed that it will form the source of future trouble if the youth support is not strengthened hereabouts. The future rival of Yoichi is Uda, who made a challenge in the general election last year while in his third term in the prefectural assembly. That is because he probably does not have to be considered so seriously now since Shinseito is weak locally, but if it continues this way, the enemy's organization will gradually fatten and probably eat away at the organization built by the Miyazawa family.

It seems that a three-way fight is developing in the new 6th district centered on Onomichi city and Mihara city with incumbents from the same current 3d district among Transport Minister Shizuka Kamei, Tatsukuni Komori of the SDPJ and, in addition, Moriyoshi Sato from Shinseito. Moreover, it seems that an internecine fight is developing among LDP incumbent legislators in the new 4th and 5th districts which divide the current 2d district. The current 1st district has been divided into the 1st to 3d districts, but the focus will be on how much the former coalition will promote unified candidates and election cooperation in urban areas such as the new 1st district. It will probably be a big point worthy of note in the future how the former prime minister, who had the role of putting together the LDP, SDPJ, and Sakigake coalition ruling party, handles the intense fighting between the ruling and opposition parties in the prefecture.

Former Prime Minister Sosuke Uno

The view is strong that he will run in the Shiga 3d district centering on Kusatsu city and Moriyama city, but some have pointed out the change of generations in the LDP and there is a possibility that Uno's candidacy itself has become fluid depending on the date of the election. That is to say, Uno was born in the Taisho era (1912-1926), from which there are few in the political world, and he is the same age as Makoto Tanabe and Shun Oide of the SDPJ. It is because in the case of the SDPJ, it is the age at they cannot run under the age limit system. The death of Ganri Yamashita, a rival in the same electoral district, born in 1921, also is accelerating the trend toward a change of generations.

That is to say, Mineichi Iwanaga, a prefectural legislator whom the LDP has chosen to be the successor to Yamashita, has been a candidate for the medium-size electoral district and comes from the 3d district. It is unclear from which district he will run. In addition, Minister of Finance Masayoshi Takemura of Sakigake, who is the new leader of prefecture politics, has greatly hinted at a Sakigake candidate support plan for all electoral districts. In the LDP prefectural association, it is said that "Cooperation by the ruling parties on incumbents may be possible if Tsutomu Yamamoto from the SDPJ is run in the 1st district, Takemura in the 2d district, and Uno in the 3d district, but there is no such talk at all at the present time." Both the LDP and Sakigake are endeavoring to support candidates, including new people, in all the electoral districts and they will probably come to an understanding later, but there is no guarantee anywhere that coordination will progress. Shomei Ito, a new LDP member and former prefectural legislator who lost in the previous election, intends to run in Takemura's 2d district. There is also the opinion that "the former prime minister and party heads should run in the proportional districts."

Since Uno resigned as prime minister in a sex scandal in 1989, he has had no conspicuous activities at the center [of politics]. His position is similar to former Prime Minister Hosokawa, but although there are signs that Hosokawa will be revived as a candidate of the new-new party, Uno's associates have only been lonely. Will he be able to handle this complicated relationship as an elder of the LDP? Takemura, the top vote-getter in the previous general election, had over 210,000 votes and Uno had over 70,000 votes. It seems that Uno will be pressed for a grim response on how a politician whose one-time power has disappeared will fight in the single-seat electoral districts.

Former Prime Minister Noboru Takeshita

Shimane Prefecture is the only prefecture where the three coalition ruling parties of the LDP, SDPJ, and Sakigake have a monopoly on all the Diet members of the House of Representatives and House of Councilors. For that alone, if the five current incumbents of the House of Representatives coordinate candidates, the two who are not assigned to the three single-seat electoral districts will be pressed to either change their hometowns to proportional districts or move to another prefecture. However, the atmosphere within the LDP right now is that"the LDP is the LDP and other parties are other parties" (Takeshita associate). Although they do not express it in words, it seems that they are aiming for a monopoly on the three Diet seats.

In the general election last year, Takeshita himself was obliged to fight for election as an independent without LDP endorsement due to the "Kominto incident," but this time, aiming at party endorsement, he was the second in line to give greetings as a Diet member elected from the prefecture at the party's Shimane Prefecture association convention held on 23 July; the prefecture association decided on backing the former private secretary of Takeshita, a prefectural assembly member, in the House of Councilors election next year, and Takeshita's influence on the local LDP has not waned. He aims to be the party's endorsed candidate from the new 2d district in the Izumo area where his hometown of Kakeya-machi, Iishi-gun, is located. The support group called "Kisaragi-kai" centering on builders and contractors in the prefecture is the foundation for Takeshita's election. Of the 40 prefectural legislators, 19 are affiliated with Kisaragi-kai and 11 of those will be legislators from the new 2d district. He has a support structure of several layers and is swayed little by the wind. An LDP prefecture association officer states that "the proper lineup will be Hiroyuki Hosoda in the 1st district, Takeshita in the 2d district, former legislator Hisaoki Kamei in the 3d district, and Yoshio Sakurauchi in the proportional district." Even if this division is approved, it is just about certain that Daikichi Ishibashi from the SDPJ will run in the 1st district and Jun Nishigori from Sakigake will run in the 2d district. Although it is said that both Ishibashi and Nishigori are prepared for a hard fight in a conservative kingdom, the actions of Nishigori in particular, who directly criticized Takeshita for "financial influence corruption" in the general election last year and won his first election, have been spirited. Having traveled throughout the prefecture from 6 to 16 August, Nishigori has had repeated mini rallies and street speeches and searched for responsive voters. He has even gone into Kakeya-machi, Takeshita's hometown, and made efforts at dialogue. He is groping for election cooperation with the SDPJ, but there are hard feelings about this by "Ishibashi declaring that he is running from the 1st district without consultation with Nishigori." For Takeshita also, the confrontation with Nishigori who won by personal criticism of him, despite being a legislator from Sakigake which is an allied party, is a fight that he can by no means lose. It had seemed that he would abandon both shame and respectability, but he spent the summer in a relaxed mood, resting at a villa on Lake Kawaguchi and visiting China. It was a calm summer where there were no special activities even at his Matsue office.

That is to say, it greatly seems that, having toppled the non-LDP coalition regime, they have recovered political power centered on the LDP, regardless of the coalition with the SDPJ and Sakigake. It cannot be denied that a sense of confidence is at work that the schedule of the political situation starting with the date of the election will be decided at his own pace. That is fine if the election comes when he is thoroughly prepared and he has been able to safely box up the candidates by Takeshita-style maneuvering. Hosoda, who expects him to run from the 1st district considering the election situation, thinks highly of him, different from the faction itself, saying that Takeshita "is a fellow who is next to myself in understanding elections," and they have a friendly relationship. There is a possibility that the give and take between the two for votes in the 1st and 2d districts will go more smoothly than expected.

Former Prime Minister Yasuhiro Nakasone

The current Gunma 3d district, which is known for the Joshu "Fuku[da]-Naka[sone] fight," will be divided into the 4th district centered on Takasaki city and the 5th district of Shibukawa, etc. The four incumbents here are Keizo Obuchi, Yasuo Fukuda, Tsuruo Yamaguchi, and Yasuhiro Nakasone, and moreover, each will have a furious fight with former coalition forces.

Up until directly before the establishment of the LDP-SDPJ coalition regime, supporters of Nakasone had gone throughout the current 3d district, saying, "There is a possibility of dissolution and a general election with the medium-size electoral districts," but recently they have not been seen in the northern part and the rumor is spreading within the prefecture that "Nakasone has announced to supporters that he will run from Takasaki city." The new 4th district has a population of about 350,000 people. The great voting constituency of Takasaki city accounts for 70 percent of it and it is the common view of the various camps that "the one who controls Takasaki will control the 4th district." Nakasone has been briskly holding small rallies for supporters while going back and forth between Karuizawa, his place of recuperation in the fierce heat, and Takasaki, and he has been characterized by the other camps as being "fervent like one in his first year." This expresses the spirit with which Nakasone acts, but it also is symbolic of having been driven into a difficult position. In the previous election, he was criticized as being old, and was the lowest-ranking winner. In addition, his impression on the party prefecture association considerably worsened with his rebellion in the previous prime minister nomination election. Amidst this, however, Takasaki city is his stronghold which he continued to defend through fierce battles with the Fukuda camp. If he lets the harsh conditions continue, he will be driven from Takasaki and be unable to turn over his base to his son Hirofumi, a House of Councilors member. In any case, in order to continue defending at least this castle, hand over his base in fine form someday, and retire, he has come to a point where he cannot concede this time.

As for Fukuda, on the other hand, Gunma-machi, the birthplace of his father Takeo, has become the new 5th district, a form dividing his base, but he gathered the top vote in Takasaki city in the previous election and is comfortable with either the 4th district or 5th district being all right, but there also is the view that he has placed his sights on Takasaki city. Obuchi, who is overwhelming strong in Agatsuma-gun of the 5th district, has also set up an office close to Takasaki Station and made inroads into Takasaki. Some of Nakasone's supporters can be heard to say, "Vice President Obuchi is the person in charge of the Election Committee and naturally will transfer to a proportional district," but there is no such indication in the Obuchi camp. It is natural that he will run from the 5th district.

The party prefectural association has abandoned all hope, saying that "Who will run from where will be decided by the colleagues involved," but it will not be solved continuing this way and there is the possibility that the "rebel" who decided early on the 4th district will be put in a further dilemma.

Director General Yamaguchi of the Management and Coordination Agency from the SDPJ also is in a difficult position. It is rumored that he should not expect LDP-SDPJ election cooperation and must search for a way to survive in the proportional district.

On the former coalition side, however, Minoru Komai from Shinseito, who got no further than runner-up in the previous general election, is steadily proceeding with preparations such as opening up a new office in Takasaki city at the end of the month and is spurring election cooperation in the former coalition starting with Komeito, and is placing his hopes on an LDP split.

Prime Minister Tomiichi Murayama (SDPJ Chairman)

The major portion of Oita city, the hometown of Prime Minister Murayama, will become the new Oita 1st district. This is also the base of LDP incumbent Seiichi Eto in his second term. Eto aggressively worked in support of Murayama in the prime minister nomination election, but he will have to fight him when it comes to the election.

Eto stated in his hometown directly after the inauguration of the regime that "I will be defeated by Murayama with the margin of one vote and will make a comeback due to the narrow defeat," but later he has come to advocate a fighting attitude of "I will beat the prime minister by a one-vote margin." It coincided with the gradual spreading of the perception that election cooperation between the LDP and SDPJ on the central level will be a difficult feat, but it does not seem to be unrelated also to the view spreading locally that, "ultimately, reconciliation will be impossible." However, Seiichi Eto, on the other hand, has revealed to his friends that "The new 1st district is my first choice and the new 2d district is my second choice. There will also be reconciliation among the ruling parties," and it seems that his true motives are complicated.

Prime Minister Murayama originally had considered retiring at the time of the previous general election, but the situation was that he ran because of successor difficulties, and retirement now would be natural because of the party's age limit of 70. However, the general view is that, because he is the prime minister, he will run. The Eto side hopes for a transfer of Prime Minister Murayama to the proportional district, but will that happen? The policy at the SDPJ prefectural headquarters now is to proceed with duplicate candidates in the single-seat and proportional districts.

Looking at the other electoral districts in the prefecture, it is anticipated that Seishiro Eto from the LDP will run in the new 2d district and Eijiro Hata of Shinseito will run in the new 3d district. It seems that Takashi Tawara from the LDP and Katsuhiko Yokomitsu from the SDPJ will compete in the new 4th district. Therefore, if LDP-SDPJ cooperation goes smoothly, bartering cooperation in the 4th district would be natural, but still no talk has been heard at present.

In the previous election, Prime Minister Murayama was the top election winner in the sluggish SDPJ. The JNP candidate, who was popular nationwide, wept at being the runner-up in the same 1st district, and the 2d district is conservative territory where Takeshi Iwaya who ran with the endorsement of Sakigake was defeated. Whether the prime minister can make reconciliations advantageous to the SDPJ fully using his current strength will be a do-or-die situation.

SDPJ Vice Chairman Sadao Yamahana

In the previous general election, the SDPJ was totally defeated in Tokyo except for Sadao Yamahana. It was an event symbolizing the downfall of the SDPJ which has been proud of its history and tradition. At the time, Yamahana was party chairman. With Yuriko Hase in a beret, the two ran in the current 11th district, but it is also said that, near the end, the SDPJ prefectural association quietly gave a secret order to concentrate on Yamahana. Hino city is removed from the 12 cities and 1 county [gun] that comprise the 11th district, and the remaining 11 cities and 1 county [gun] have been made into the four single-seat electoral districts of the 22d, 23d, 24th, and 25th. Hino city becomes the new 21st district together with Tachikawa and Akishima city of the current 7th district.

Among these, the 25th district, the former Nishi Tama district, has the smallest population within the prefecture and the 24th district has become the electoral district with the largest.

Running from this 24th district are Sadao Yamahana and Tatsuya Ito from the JNP. They have set up offices on the same shopping street in Chofu city. It has been Yamahana's electoral district since his father's generation, and changing homes is unthinkable. Ito also went to primary and middle school in Chofu, and a clash is inevitable.

The Minami Tama district in prefectural assembly elections has been divided into Inagi city as the 22d district and Tama as the 23d district.

Hase from the SDPJ aims at the 23d district. The LDP incumbent, Kosuke Ito, is also in the 23d district. Moreover, former officeholder Yozo Ishikawa is steadily proceeding with preparations from the 25th district. Former LDP office holder Teruhisa Ishiwata has shown desire in the 24th district, and the Hachioji chapter of the party decided to endorse him at one time, but Tamon Kobayashi of the prefectural assembly would not agree, and is soliciting candidate recruitment from the prefecture association. Ishiwata has been driven to decline running.

Generally speaking, the weakness of the LDP had been conspicuous, but now their manner of recovery has been striking, and the key will be how much the SDPJ can maintain the force of the establishment of the Murayama regime and infiltrate as a party.

Former SDPJ Chairman Makoto Tanabe

It was probably Makoto Tanabe who received the most shock in the SDPJ at the establishment of the Murayama regime. Tanabe had been making efforts toward a continuation of the non-LDP coalition even in the post-Hosokawa political situation, frequently holding consultation with Ichiro Ozawa of Shinseito, Chairman Akira Yamagishi of Rengo, and in addition, Satsuki Eda. It had been a firm thought to unite in the new-new party before the single-seat electoral districts. However, when it was learned at the final stage that the SDPJ would be out of the coalition framework because of the uncompromising attitude of Ozawa, he had thought that they would start to turn to the new-new party, even dissolving the SDPJ. Ultimately, however, they established the LDP-SDPJ-Sakigake coalition. It probably is painful as hell as a politician for Tanabe and others to try to survive in a relationship with the former coalition.

That is to say, Tsuruo Yamaguchi, his longstanding enemy in the party's Gumma headquarters of his hometown, has joined the cabinet as director general of the Management and Coordination Agency and has been flashy in expanding activities in his hometown. Tanabe is an "A-class war criminal" who turned traitor in the prime minister nomination election. Since his age is currently 72, the general view is that he will not be endorsed and will run in contradiction to the party's age limit of 70. The new-new party has no connection with the age limit of 70 system and it was a good way for him to continue to maintain his influence as a party elder. Tanabe has not given up on a reversal again, but it can be said that the objective situation has become comparatively grim.

In this regard, if Tanabe were to run, the electoral district would be the new 1st district. The former coalition forces are supporting Ichiro Abe from Shinseito, who cried at being runner-up in the previous election; and Koji Omi and Genichiro Sata are in a furious fight in the LDP. Viewed from their bases, it appears that they will settle on Sata. In that case, Omi will probably transfer to the new 2d district, and Takashi Sasagawa of the former Kaikaku no Kai will clash with him with the full support of Shinseito and Komeito. Minoru Komai from Shinseito will run in the new 4th district and it appears that there will be a fight with the LDP in the Fukuda-Nakasone battle.

Former SDPJ Chairman Takako Doi (Speaker of House of Representatives)

In the general election last year, Doi was at the top election winner in the Hyogo 2d district with 220,000 votes, a large number of votes. Yuriko Koike also settled for second place with 130,000 votes in the JNP boom. The greatest focus will be on from which electoral district this strong Doi will run.

Doi is avoiding a declaration, saying that "It still is not time for announcing," but it appears that running from the new 7th district of Nishinomiya city and Ashiya city will not change. For this reason, it is certain that Koike, the madonna of the JNP who comes from Ashiya, will avoid a direct confrontation by moving to the new 6th district of Itami, Takarazuka, and Kawanishi. Saying, "It is an election that I must win," she has begun full-scale preparations, such as moving to an office in Itami.

It seems that the one who will confront Doi is Eiji Imanishi, an LDP prefectural assembly member. He has put off asking the LDP for an endorsement, saying "I want a free hand" also with the prefectural assembly elections that are to be conducted next year. It seems that he has also been approached by Shinseito and it also seems possible that he will run from a new party other than the LDP or from the new-new party in an ideological and policy dispute with Doi on "safeguarding the Constitution." The other incumbents in the current 2d district, Kenzaburo Hara from the LDP and Kazuji Miyamoto from Shinseito, are favored to run in the new 9th district, which includes Awaji Island. Moreover, Tetsuzo Fuyushiba from Komeito is preparing to run from the new 8th district of Amagasaki city along with Yoshitada Konoike, the former LDP incumbent.

Hokkaido Governor Takahiro Yokomichi

The Hokkaido 1st district, which is the largest nationwide of the current medium-size electoral districts with a full complement of six seats, will be divided into five districts. It is calculated to drive out someone among the six incumbents of one from the LDP, two from the SDPJ, one from Komeito, one from Sakigake, and one from Jiyuto [Liberal Party]. If Takahiro Yokomichi, who has announced his return to central politics, muscles in, there will be one more who is put at a disadvantage. In addition, since Yokomichi will be extraordinarily strong in the election, the true feelings of all the candidates is that "I do not want to fight with Yokomichi."

From where will this Yokomichi run? Mentioned now are the new 1st district (Chuo-ku, Minami-ku, and Nishi-ku of Sapporo city) where his residence is, and the new 5th district (Atsubetsu-ku in Sapporo city, Ebetsu city, Chitose city, Eniwa city, and Ishikari-shicho) where the support organization inherited from his father remains. Since people from both are heard on the Yokomichi side, the other candidates have been unable to probe his true intentions.

However, Hideko Ito from the SDPJ is thinking of running in the new 1st district. Two new people in the LDP have shown a desire, but Nobutaka Machimura has begun activities narrowing his sights to the new 5th district. If Yokomichi cooperates with Ito and runs from the new 5th district, he will clash with Machimura. With this class, there is no reason why they must avoid a clash since, even if they fail in the single-seat electoral district, they will be able to win with the narrow defeat ratio in the proportional election, but a rumor has already started to spread among Diet members that "proportional district legislators will be worthless legislators," and they probably feel like risking duplicate candidacy, prepared for defeat.

Satoshi Arai from Sakigake, who has supported the prefectural administration of Yokomichi as the chief of the governor's office, is thinking of running from the new 3d district and Ryuichi Ikeda, another legislator from the SDPJ, from the new 4th district. It should probably be viewed that reconciliation is proceeding among the SDPJ, Sakigake, and Yokomichi. However, insofar as it is Hokkaido which is said to be "the only place in Japan were the 1955 order remains," it does not appear that reconciliation between the LDP and the SDPJ will go so easily.

Sakigake Party Chief Masayoshi Takemura (Finance Minister)

The current single prefecture-wide 1st district (full complement of five seats) of Shiga Prefecture will be divided into three districts wide regional administrative sphere units. Takemura has had experience as governor and will undoubtedly be eleted wherever he runs in the prefecture, but it is probably natural that he will run from the new 2d district where his hometown of Yokkaichi is located.

Noteworthy in Takemura's speeches within the prefecture, however, is not that he is running, but whether or not Sakigake will support candidates in the other two electoral districts. Even if the 3d district, former Prime Minister Uno's base, is considered to be fine, the new 1st district which would have been the base of the deceased Ganri Yamashita will be of particular note. This is the electoral district that centers on Otsu, the prefectural capital, and not only will they come up against the incumbents of Tatsuo Kawabata from the DSP and Tsutomu Yamamoto from the SDPJ, but also Masatsune Kawamoto, private secretary to Shinseito party chief Tsutomu Hata (former prime minister), is currently preparing to run.

The LDP prefecture association also has taken the policy of supporting candidates in all electoral districts and right now should be choosing the successor to Yamashita. If that happens, there is a possibility that there will be a flood of candidates from the JCP in addition to the LDP, SDPJ, Shinseito, and DSP. The first problem will be whether both Kawamoto and Kawabata can be reconciled in the former coalition. The ability to reconcile these two means that it will force an election where Rengo's Shiga organization will split between the SDPJ and the former coalition. Therefore, it seems that Rengo is strengthening moves to mediate between the SDPJ and DSP in order to maintain their organization. It appears that a Rengo new party theory has already surfaced, but at the present time it seems far from being settled. If the SDPJ, Sakigake, and in addition, even the LDP on the present coalition side run candidates on their own, it will be seen that it will get out of hand. Who will clear away this situation that is just ahead? Regardless of being busy with the cabinet, Takemura's ability will be tested.

There also is a possibility that Shomei Ito from the LDP will run in Takemura's 2d district. At the present time, Takemura has such a margin that it would be no match, but Takemura's votes are not that solid and are votes gathered by virtue of various organizations from when he was governor, and and a certain element of anxiety exists about whether the new party boom again can be expected. Especially, this time the name of a Shinseito candidate has come up only in the 1st district, but if Ichiro Ozawa, the representative secretary general of Shinseito who ruined the Hosokawa regime and destroyed the Hata regime after a very short period, challenges Takemura to a fight to the death, the possibility cannot be denied that there will be a clash with a Shinseito candidate in the 2d district where Takemura is. It seems to be impossible to anticipate what will happen in the future by the time of the actual election as far as the strong individualist Takemura is concerned.

Former Prime Minister Toshiaki Kaifu

Up to now, the Aichi 3d district had been synonymous with a calm electoral district. In the 1990 general election, Toshiaki Kaifu captured 190,000 votes, Kanju Sato had 120,000 votes, and Masumi Esaki had 100,000 votes, and the runner-up Haruo Mori from the DSP was unable to catch up, though he captured 80,000 votes and the three were elected, as anticipated. In the general election last year, although Esaki retired and there was "a change of generations" with his son Tetsuma running from Shinseito, the lineup of the three did not change.

Now, however, the current 3d district will be divided into the 10th district in the north, centering on Ichinomiya city, and the 9th district, running south from Inazawa and Nishio city. Both Kaifu and Esaki camps are competing for bases in Ichinomiya city and currently, there are also former coalition forces and it seems that candidate reconciliation will take time. Sato is preparing to transfer to the 9th district, but it seems that he will be unable to avoid a clash since either Kaifu or Esaki will ultimately transfer to the 9th district.

Kaifu has shown extraordinary strength in Ichinomiya city. However, it is a fact that his footing now is shaky. The current situation is that almost no one among the Aichi Prefectural Assembly members or Ichinomiya Municipal Assembly members belonging to his support group believes that they will act with Kaifu to the point of leaving the LDP.

Inherently, it is a conservative area, but the Kaifu side was defeated in the recent power struggle and it seems that the effects of being divorced from the regime have begun to appear gradually in his home of Aichi Prefecture. The chapter organization of the LDP is maintaining power while intwined with occupational chapters such as the Soldiers Pension Association and, even if Kaifu runs as a former coalition united candidate, they also have the actual power to run someone as a local LDP representative.

If the new 10th district is the impregnable castle of Kaifu, the new 9th district is the strength of House of Councilors member Hiroshi Yoshikawa. Out of respect to Sato of the SDPJ, the LDP will not try to touch his running from the 9th district. If LDP-SDPJ election cooperation keeps being created this way, Sato will be able to fight fully with either Kaifu or Esaki and conversely, victory can probably be seen. The Aichi DSP is in the process of collapsing and there was a flow of their powerful talent to Shinseito in the previous general election, but it seems the trend of the DSP in this general election also will greatly influence the election of Kaifu. That is to say, it is because it appears that, having fought for a long time, Mori's DSP will not tilt toward support of Kaifu if the new-new party is not created on a nationwide scale.

In the end, Kaifu may choose to transfer to a proportional district. It undoubtedly seems that the winds that blow in the current 3d district decidedly are not winds that follow Kaifu.

Former Prime Minister Tsutomu Hata (Head of Shinseito)

As might be expected in the home base of party chief Hata, Shinseito plans to support candidates in all five electoral districts.

In his greetings that he made at the general meeting to establish a support group for Tetsuma Esaki that was held in Aichi Prefecture on 23 July, Hata appealed that "A proportional district is fine for me. I also can go elsewhere. It doesn't matter if I leave the electoral district that I have developed for 50 years succeeding my father." For Hata, who became "the devil of political reform" in order to introduce the single-seat electoral district system into Japan, he probably wanted to say that they should be ready to "change homes."

However, in hometowns, it is the general tendency to view Hata as running from the new 3d district which includes his base of Ueda city. Shinseito, strictly speaking, plans to run Jun Murai in the new 2d district, which is centered on Matsumoto city, and Mamoru Nakajima in the new 5th district, which includes Iida and Ina cities. There is strong probability that Kenji Kosaka who changed from the LDP in April will run in the new 1st district, which is centered on Nagano city, and Okaya city mayor Yasuaki Hayashi will run in the new 4th district, which combines Kiso-gun and Shiojiri city with Suwa and the Okaya region.

The LDP is being forced into a hard battle amidst this Shinseito attack. They are supporting Masatoshi Wakabayashi in the new 1st district, Hajime Ogawa in the new 4th district, Sohei Miyashita in the new 5th district, and Shunjiro Karasawa in the new 2d district. However, they are not supporting a candidate at the present time in the new 3d district, which is the home of Hata. Therefore, it is Shoichi Ide from Sakigake that the LDP is watching intently with a sense of expectation. Ide is from Minami Saku-gun and a person who has influence within the scope of the new 3d district. However, even combining the votes of the LDP, Sakigake, and in addition the SDPJ incumbent Ikuo Horigome, it is barely 120,000 votes and does not amount to the 140,000 votes of Hata. However, there also is the view that his votes in the election last year were shaky. That is because an unusual new party boom has been generated, and Hata especially exaggerated on voting day that he was the non-LDP prime minister candidate. Now that this "wind" has stopped, the votes won by Hata will probably return to 70,000 votes (number in 1990 39th general election). At this time, Horigome will be the top winner and Hata, second. In that sense, it is still not known.

In addition, noteworthy in Nagano Prefecture is that the Sakigake incumbent, Shusei Tanaka, who is becoming the theoretical backbone of anti-Shinseito forces, will run from the new 1st district. Will reconciliation with Wakabayashi be possible and, in addition, will they be able to destroy the Shinseito?

Shinseito Representative Secretary General Ichiro Ozawa

There still are many opaque points in the actions of the "substantive party head" of Shinseito. However, it seems that this opacity conversely continues to maintain some of his charismatic personality. Even at the Shinseito national study meeting held at the end of August, the topic in the speech of acting Secretary General Kozo Watanabe focused on Ozawa's absence due to a cold and was not gathered on such a concern. At a party, young secretaries and local activists surrounded Ozawa and excessively tried to hear every word.

Ozawa has been called an election pro for a long time. He displayed extraordinary shrewdness as chief of the LDP General Affairs Bureau and secretary general and probably understands election methods with actual fighting. Ozawa's attempt to hasten the new-new party is undoubtedly an election countermeasure. He is stating a lesson from experience that they will be defeated by the LDP unless they create the new-new party, but it does not seem that the new-new party can be created that easily because of the backlash on his authoritative methods so far.

Although that has been the case nationwide, Ozawa seems to have become a target of fear in his home of Iwate Prefecture, having displayed the move of rallying former coalition forces while dealing a blow to the LDP with free use of his forte of strong armed methods.

Ozawa's election district is the current Iwate 2d district. It has been divided into the new 3d and 4th districts in the single-seat electoral districts. Since Ozawa himself comes from Mizusawa city, the new 4th district is his base, but Ozawa's private secretary visited prefectural assembly member Tadahisa Hasegawa of Shinseito in May and hinted at the possibility that he may run in the new 3d district (Kamaishi city, Ofunato city). Accepting this, Hasegawa held a general meeting to establish a Kamaishi-Otsuchi Branch of Shinseito on 23 July and began creating an election system. The new 3d district is the base of Setsu Shiga who serves as the chair of the LDP prefectural association. Ozawa has repeatedly had fierce election fights with Shiga in the current electoral district and has a pent-up grudge. Therefore, the speculation has come out that "he is trying to make use of the good chance of putting an end to Shiga and yet expanding Shinseito power." However, it is not just that alone. There also has been a rumor that Ozawa will run in the new 1st district in the prefectural capital of Morioka. Rather than saying that this is a deceptive tactic, it seems to be best understood as a tactic to contrive expansion of party forces while inciting fear.

Since he is protecting the seat of Kijuro Sugawara who lost in the previous election and defending to the death the two incumbent seats and since the trends in the previous election cannot be expected, he can only brace himself. Moreover, winning is doubtful with the base vote of Sugawara alone. Therefore, Ozawa views it as a tactic to have them create a thorough organization by not letting them know from where he is running and having other candidates win in addition.

Tokuichiro Tamazawa, director general of the Japan Defense Agency from the LDP, is in the new 1st district. It is an individual fight, but unaffiliated Chikara Nakamura is close to Jiyuto. In the new 2d district are Shunichi Suzuki from the LDP and Kentaro Kudo from Shinseito. In the new 3d district are Shiga and Sugawara, and the common view is Ozawa in the new 4th district. The current situation is that there is no one in the LDP to run in the new 4th district. Therefore, it seems to have generated a desire of wanting to cooperate somehow with Reijiro Sawafuji, the SDPJ incumbent, but regardless of the votes won by Sawafuji being second in the previous election, it was less than half that of Ozawa. So long as Ozawa does not decline that much, it seems that Ozawa's empire is secure.

Former Prime Minister Morihiro Hosokawa

On 6 August, former Prime Minister Hosokawa entered his native land of Kumamoto for the first time since July last year. He had a series of meetings in over 10 locations with local financiers, prefectural office staff oldtimers, and supporters. The view of the other camps is that "the Hosokawa camp is planning to gird up." There also is the view that Hosokawa is not relaxed and is feeling discouraged that his organization is disappearing like drifting sand.

Hosokawa captured 210,000 votes in the general election in July 1993 and was the top winner. After his appointment as prime minister, his cabinet boasted of the highest support rate in the past of over 70 percent. Trying to share in the luck of the rising star Hosokawa, candidates one after the other sought endorsement and recommendation by the JNP, aiming at the next election in Kumamoto Prefecture, his parent's home.

Now, however, such vigor and gaiety is not seen at all in Hosokawa or his associates. Since the end of last year, the question of a 100 million yen loan to Hosokawa from the Sagawa Kyubin group has been closely investigated, the situation has changed along with the strengthening of the regime's "Ozawa-ization" phenomena and at the time of his resignation from the regime, the "winds" of that one time had completely stopped. Along with that, the views of the other party camps which had thought of "giving up on a match with Hosokawa" rapidly changed.

Like the time of the previous general election, Hosokawa has not made clear in which district he himself will run. Even at a press conference on the 6th, he expressed cautiously that "we have been talking privately about dealing with the single-seat electoral districts, but are not yet at the stage of stating it." However, it is strongly viewed that he will run from the new 1st district in the central east section of Kumamoto city. Eiichi Iwashita, a prefectural assembly member from the LDP has shown a desire to run from this electoral district and Shoichi Tanaka, the SDPJ incumbent, has begun preparations. Eiki Kurata from the Komeito also has inferred running from here, but if Hosokawa formally declares that he is running, he is thinking of transferring to another electoral district.

In the new 2d district, however, Takeshi Noda from Koshikai who left the LDP is expected to run, and if there is election cooperation between Noda and Hosokawa, there also is a possibility that Tanaka will have election cooperation with Iwashita of the 1st district and transfer to the 2d district.

It had been the electoral district where he boosted of his strength to the extent that it could be called "Hosokawa's castle," but it also can be said that he has become just a man once the temporary illusion was gone. There also is Masayoshi Yagami with his main base in the new 5th district in the prefecture, but the moves by the JNP in the other electoral districts seem generally dull.

Komeito Chairman Koshiro Ishida

The current electoral districts divide Nagoya into two and the district division is the southern half with the harbor in the 6th district and the northern half in the 1st district. The 6th district, the town near the harbor since ancient times, is the home of Koshiro Ishida. In the new election system, it will become the new 4th district comprised of the various wards of Mizuho, Minato, and Minami-ku. This was the electoral district of former DSP Chairman Saburo Tsukamoto who drank a cup of sorrow in the previous general election. Tsukamoto had shown a desire for another challenge in the medium-size electoral districts, but nothing has been heard yet about what he will do in the single-seat electoral districts. In the past it was a place where there were many revolutionary votes and sorting the votes obtained in the previous election, it was a stronghold for the former coalition with the former coalition getting 92,000 votes and the current coalition ruling party getting 62,000 votes. When Ishida came out as a representative of the former coalition, however, it is a fact that it could not be foreseen how much the class shunning Soka Gakkai equals Komeito would come out. The ruling party does not embrace a candidate at the present point in time, but will they work out a tactic on how to attack the weakness of this "enemy"?

The JCP also has a base vote of 25,000 or 26,000 votes and there also is a possibility that they will fight well if the new and former coalitions are flooded with candidates that cannot be narrowed down.

Hirotaka Akamatsu, previous secretary general of the SDPJ, has his residence in Nakagawa-ku, and the prospects are that he will run from the new 5th district that overlays the current 1st district and the current 6th district. In the general election last year, he raised his prominence by making appearances constantly on television, etc., as the SDPJ secretary general and was the top vote-getter. However, the later actions of the democrats have been inconsistent, the axis up to now which depended on Ichiro Ozawa of the former coalition is wobbling, and his popularity seems to be dropping. It will be noteworthy whether an election making use of the LDP-SDPJ coalition is possible.

Komeito Secretary General Yuichi Ichikawa

Yuichi Ichikawa's position within the party has become unstable along with the defeat of the "Ichi-Ichi line." In the case of Komeito, its makeup is still firmly to value more the successful maintaining of its relationship with Soka Gakkai than how active their legislators are in the Diet and policy. It has been Ichikawa who so far has used that characteristic to the maximum. Therefore, endorsements in the past two general elections have also been called an opportunity to weed out legislators whom Ichikawa does not like. However, Ichikawa himself has now fallen into a position where he may be the defendant on the stand.

If he is removed from office as secretary general at the party's convention in the fall, he will probably no longer have such leisure of endorsements for the next general election. At present, the possibility is said to be fifty-fifty.

What will happen if Ichikawa clears the party convention safely? Depending on whether the new-new party is created in this case also, the handling will be greatly different. While there still are so many uncertain elements, looking at the case of Ichikawa is probably close to the current situation.

Ichikawa's residence is in Takatsu Ward, Kawasaki city. As for the new 9th district in the northern section of the city, since Eiji Nagai of the JNP and Narifumi Matsuzawa of Shinseito will not let go of Tama Ward and Asao Ward, which have been their respective bases since their days in the prefectural assembly, Ichikawa will have to move to the new 10th district in the south.

However, it is anticipated that the SDPJ incumbent Sukio Iwatare and Toshinori Tanaka in the prefectural assembly from the LDP will run in this new 10th district and Yoshiaki Harada, who left the LDP, is also aiming to run from Shinseito.

In the end, it may be proper for Ichikawa to move to a proportional district considering application of the rule that "party heads and officers will be in proportional districts," which Keisuke Nakanishi stated at the Shinseito study meeting. That is to say, it is because the general view is that, since opposition to Komeito is stronger than anticipated, former coalition forces are not thinking of uniting with Ichikawa in the voting. It can be said of Komeito as a whole, but that concern is particularly strong for Ichikawa of "Ichi-Ichi." It seems that there is difficulty in saying anything but anti-LDP forces will dominate because it is an urban election and a time when the ruling party has united opposing candidates.

Former DSP Chairman Keigo Ouchi

Keigo Ouchi, previous chairman, had been weak in elections for some time. He won his first general election in 1976, but he later lost election in the 1985 House of Representatives and House of Councilors same day election and took responsibility as the party secretary general. His critical awareness about elections was extraordinary even in his days as chairman and he finally was able to win election by relying on his supporters' group uniting medium and small shop owners, the Rengo organization, and additionally, the Rissei Koseikai.

The current Tokyo 2d district has a full complement of five seats in Ota Ward and Shinagawa Ward. In the new system, the major portion of Ota Ward becomes the new 4th district and the rest of Ota Ward and Shinagawa Ward become the new 3d district. The five incumbents are Shintaro Ishihara from the LDP and Noboru Usami from Sakigake in the Murayama coalition, and Shokei Arai, Ouchi, and Otohiko Endo from Komeito of the opposition parties. All five live in Ota Ward. Ishihara and Usami have homes in the Chofu district that will be together with Shinagawa Ward. In other words, in division by residence, both would be the new 3d district. Moreover, the opposition parties lean toward the new 4th district.

In addition, Ota Ward is the base for Tetsu Ueda, who left the SDPJ and created the new constitution-safeguarding party Akatsuki, and Hitoshi Matsubara, a municipal assembly member who aims to be a candidate. On the ruling side, when Ishihara decides from which district he will run, Usami should go to a different electoral district. However, the distribution of the opposition parties seems to be fairly difficult.

In any case, since there is one too many, a move already has begun to have Ouchi go to the proportional district. Since Ouchi himself is not fiercely opposed at this time, such a course of events probably is natural if the new-new party is created. However, a Komeito problem is generated here also. If they move Endo to the proportional district, adjustments again will begin either to run a new person in the electoral district or to run Ouchi. The feeling that they do not want to make the preeminently well-known Ishihara their opponent also probably is at work, and reconciliation probably will not be that easy.

DSP Chairman Takashi Yonezawa

The elections of Takashi Yonezawa so far have had the character of winning by the Asahi Chemical Industry labor union which is his base for collecting votes, digging up the votes in Miyazaki city where some floating votes can be expected, and having either the cooperation of Komeito or Soka Gakkai votes. He has survived somehow in such elections with the electoral district of the Miyazaki 1st. This time, however, it will be tough.

Miyazaki Prefecture is divided into three electoral districts. The Yonezawa city base, the Asahi Chemical Industry labor group, will be in the new 2d district of Nobeoka city. However, Takayoshi Eto, the LDP incumbent who took up his old position as the top vote-getter in the election last year, is here. They are giving him a margin of 40,000 votes in Yonezawa city. The Yonezawa camp has not yet decided whether to run from this new 2d district or to run from the new 1st district where he has amassed votes year after year. Ichizo Ohara of the LDP Obuchi faction also is in the new 1st district. At one time it had been said that his election weakness was fatal, but later, after cooperation got solidly in sync with Mitsuhiro Uesugi who moved to the House of Councilors, the danger disappeared. In addition, Ohara and Eto who were in an adversarial relationship, now will probably join hands and send each other votes. If that happens, the case for Yonezawa to run will disappear.

However, the salvation for Yonezawa will be Nariaki Nakayama, who lost the election, moving from the current 2d district of his hometown Kobayashi city to the new 1st district and proclaiming "to make it an urban type election centering on Miyazaki city." He has increased the number of district supporter groups in Miyazaki city to seven. Making use of Higashi Morokata-gun indicators probably also is judged as a plus, but the possibility has appeared that the layer of LDP support will not be unified by his move.

If it becomes such a dogfight, Yonezawa also will have a chance to win. Various parties of the former coalition also have expressed support, saying that "Since the new-new party probably will be created by the next election, candidate support also will come after that. However, we have decided to support Yonezawa in the only non-LDP seat" (Shizuo Ishikawa, chief, Shinseito party association administrative office).

However, there also is the reason that it is because party heads are busy stumping for support, and there is also a move to transfer Yonezawa to the proportional district.

JCP Chairman Tetsuzo Fuwa

The JCP has been thoroughly opposed to election system reform. They have criticized the one-party dominance character which the single-seat electoral system has and frantically complained about the real aims and danger hidden behind Ichiro Ozawa's introduction of the single-seat electoral districts. However, the election system reform bill passed in the form of majority approval except for the JCP.

In the tension of the later political situation, the JCP decided quickly on endorsed candidates in preparation for dissolution of the medium-size electoral districts and a general election, but ultimately it ended up that the House of Representatives was not dissolved and the mapping bill was submitted in the fall Diet.

The JCP virtually has had to abandon seats in single-seat electoral districts. Candidates probably will run in the single-seat electoral districts in order to overlay the votes in the proportional district, but the strategy is to have party faces move to the proportional districts and walk within a block or nationwide expanding party forces. For this reason, the favored view is that Chairman Fuwa also will run from the Tokyo block. It is touched upon a little under the heading of Kakizawa, but election cooperation in the various single-seat electoral districts is becoming a problem and it probably can be said that when the SDPJ drew close to the Komeito around 1980 and the anti-Communist line choices narrowed to SDPJ choices, it ended up making the JCP a limited political party at the same time. It cannot be denied that the basic strength of party has waned such as the election loss by Mitsuhiro Kaneko in the current Tokyo 8th district, and what the JCP will do in the future for party survival is at a crucial moment.

Jiyuto Chief Koji Kakizawa

Kakizawa has continued to get remarkably stable votes in the current Tokyo 6th district. With 89,000 votes in the general election last year, he surpassed the 67,000 votes of second place Tetsuzo Fuwa by over 20,000 votes. In the single-seat district, it will be the new 15th district, an independent electoral district of the Koto Ward 1st district. His strong preeminence probably will be demonstrated in the single-seat district also. The problem is whether or not Kakizawa will run in the House of Representatives general election.

The issue of running in the prefectural governor election has been smoldering for some time and especially when he was appointed Foreign Minister in the Hata regime, stories mixed with malicious gossip came out from the LDP side. Since the course of action by Governor Shunichi Suzuki is undecided, no one has yet made a full-scale declaration of running, but it is said that Kakizawa and Kunio Hatoyama among House of Representative members have the desire.

If Kakizawa ultimately remains in the House of Representatives, Shozo Azuma from the Komeito and Tetsuzo Fuwa of the JCP will be pressed to choose either to run implying the proportional district and or to transfer to the proportional district. It is said that Fuwa is studying the contest in one proportional district. In the case of the Komeito, the problem of complying with reconciliation of former coalition candidates also weighs heavily.

On the other hand, it is the LDP which has been pressed to support an independent candidate by Kakizawa's leaving the party, but at the present time a specific name has not surfaced. It seems that Kakizawa's strength has instilled fear in challengers. In public recruitment of average people, about 30 people who had applied such as lawyers, doctors, and company personnel are being consigned to a private concern and selection work is underway. However, Kazuko Yoshida from the SDPJ, who lost in the current 6th district in the previous election, has shown interest in running, saying that "I live in Koto Ward and my support troops also are in Koto Ward." There also is the opinion that if election cooperation is accomplished reconciling candidates in the three coalition parties of the LDP, SDPJ, and Sakigake centering on Yoshida, the situation will change considerably.

New Party Mirai Chief Michihiko Kano

Local eyes have been harsh on Michihiko Kano who, called "the prince of the LDP," left the party singlehandedly attracting popularity from the young Diet members of the Mitsuzuka faction, formed the new party Mirai, and became the party head. Kano garnered a large number of votes in Yamagata city, his major base in the current 1st district in the general election last year, and captured over 100,000 votes in all. There was a margin of more than 20,000 votes over Tetsuo Kondo in second place. It appears certain that he will run from the new 1st district centering on Yamagata city under the new system. However, both affiliated legislators and supporter groups in the Nishi Murayama-gun and Ototashi area that were divided by the mapping have become alienated from Kano and there even are people who have taken down the support group "Aisan-kai" signs. Even in his hometown of Yamagata city, it is said that alienation of support groups and voters is starting little by little with the inadequate explanation of the circumstances for his leaving the party and the calamity of falling to an opposition party. On the occasion of the inauguration of the new party in June, none of the five affiliated people in the prefectural assembly or 12 people in the Yamagata municipal assembly showed alignment moves.

It is said that there are some in the LDP prefectural association who are saying, "There would be justification if it came after the party was restored to power, but coming in the opposition party era cannot be understood. He should have persevered."

On the eve of the Yamagata city mayoral election announcement on 30 October, the target of attention will be which camp Kano will support and which camp will rely on Kano. Tetsuo Kondo from the LDP moved his residence card from Yamagata city to Yonezawa city at the beginning of this year. He is clearly aiming at the new 2d district. While Toshiaki Endo from the JNP has made clear that he will run from the new 1st, the realization of election cooperation by the former coalition is said to be slight due to the persistent anti "Ichi-Ichi."

The dominance of Kano at the present time has not changed, but if the LDP should have election cooperation with the SDPJ and he clashes with an opposing candidate, it seems that also will be doubtful. Many fluid elements still remain in this electoral district.

Kaikaku no Kai Representative Takeo Nishioka

The redistricting of Nagasaki Prefecture greatly changed the Kaifu cabinet draft such as grouping the main outlying islands and putting them in the new 3d district where the airport is located. Takeo Nishioka, who was elected from the current Nagasaki 1st district, probably will run from the new 1st district. Nishioka is a second generation legislator who comes from the most distinguished family in Nagasaki Prefecture, succeeding in the footsteps of his father who was governor of Nagasaki Prefecture and a House of Representatives member. While there were expectations for him in the young cultured tribe after winning his first election at the age of 27 all the more because of that, he formed the Shin Jiyu [New Liberal] Club along with Yohei Kono, left the LDP, and later, returned to the LDP and served in the party triumvirate. He calmly sets out on bold actions with resolution and youthful lack of prejudice. The recent departure from the LDP probably was natural for Nishioka with such a character. No alienation has been seen like in the hometown of Michihiko Kano. The truth may be that since Nishioka had appeared as the local LDP, no one has been found to fill the vacuum when Nishioka left.

However, Yoshiaki Takagi from the DSP and Kenji Taguchi from the SDPJ also aim to run in this new 1st district. For this reason, there is a barrier which must first be passed as to whether or not reconciliation between Nishioka and Takagi is possible. In addition, if the SDPJ has LDP-SDPJ election cooperation, he must also work out countermeasures for that.

KHI, China Join on Desulfurization Technology

952A0096A Tokyo NIHON KEIZAI SHIMBUN in Japanese 25 Oct 94 p 1

[FBIS Translated Text] Tokyo University, the Electric Power Central Research Institute, and Kawasaki Heavy Industries [KHI] are joining with China to embark on development of technology that, along with removing sulfur which is a cause of acid rain from coal flue gas, will process that sulfur into a soil amendment agent. They will reduce desulfurization costs by linking environmental countermeasures to expansion of agricultural production, and are pushing Chinese environmental measures which have been said not to be progressing because of funding limitations. China is proceeding with an increase in coal-powered thermoelectric power plants along with its rapid economic growth, and environmental problems have become serious; it has been particularly pointed out that air pollution by using coal with high sulfur content is bringing acid rain damage to Japan.

The joint research has Masatake Sadakata, professor in the Engineering Department (chemical engineering) and Satoshi Matsumoto, professor of the Agricultural Department (soil studies) at Tokyo University as technical advisers; the Coal Chemistry Research Institute and Shenyang city are scheduled to cooperate from the Chinese side. They will complete basic tests within the year and would like to begin local verification tests during next year.

Under the plan, a simple desulfurization device developed by KHI is attached to the coal combustion furnace, a reaction is made with the coal in it and gypsum is created. This gypsum is a good amendment for China's salty soil, which has a large sodium content.

It has been known that gypsum can be created from the sulfur generated when burning coal, but they will confirm in tests what quality can be obtained with Chinese coal, which has a high sulfur content. In addition, they will develop technology aimed at utility such as an effective soil amendment manufacturing process based on this gypsum and a method for dispersion in the soil.

The Japanese Government and environmental equipment industry have appealed to China to attach desulfurization equipment in order to prevent air pollution by China and avoid acid rain damage to Japan, but costs have been a wall and setup has not proceeded. The costs for setting up desulfurization equipment are said to be generally about one-eighth of the costs for constructing the whole facility.

As opposed to this, along with using simple equipment where this cost will be about 1/16th under this plan, they are exploring the possibility of making desulfurization a business by production of a soil amendment and aim to urge China on its introduction. The Chinese side also has made the assessment that it is "a technology development plan that simultaneously satisfies industry and environmental preservation." (Wang Kezhen, general representative, Shenyang Economic Trade Office in Japan), and they are agreeing to cooperate.

Editorial Urges Concrete Environment Policies

952A0091A Tokyo NIHON KEIZAI SHIMBUN in Japanese 27 Oct 94 p 2

[Editorial: "Make Definite Plans To Solve Global Environment Issues"]

[FBIS Translated Text] The Tokyo Global Environment Conference, which discussed global environment problems that should be undertaken with priority by international society, ended on 26 October with adoption of the "Tokyo Proclamation 1994." The conference, in which 26 intellectuals participated from at home and abroad such as former Prime Minister Kaifu, carried out discussions centering on population and the environment, partnership with the private sector, trade and the environment, securement of funding, and funding mechanisms.

Most noteworthy at the conference was how the huge sum of $125 billion considered necessary to preserve the environment would be secured. Specific proposals such as introduction of an environment tax were anticipated, but it was only pointed out in the Tokyo Declaration that 1) environmental costs should be incorporated into prices, and 2) various national governments are utilizing economic methods for the environment.

It was not just Japan that had record-breaking fierce heat this summer. New heat records were established in China and South Korea also and there were areas of India which exceeded 50 degrees [Celsius]. Even in Europe, it was said to be "the second hottest summer since the 17th century" in London; and Hungary recorded the highest temperature in the past 100 years. Even in the United States, the soccer World Cup was held in fierce heat.

There also is the view concerning the fierce heat in various places of the world this year that western Siberia and the Atlantic Ocean had very low temperatures, balancing the earth as a whole. On the other hand, many meteorologists see that global warming has begun to become a reality and there also is the opinion that, "if there is a cold summer next year as there was in 1993, it should be viewed that changes have begun in global weather."

Of course, it is not clear whether the fierce heat this year was due to warming or simply to cyclic fluctuations. If it is a sign of warming, however, we must not stand idle any more. It is not just warming. The ozone hole at the South Pole also is becoming bigger by the year, and the largest decrease in both amount and area of ozone was recorded this September. The destruction of forests and desertification is continuing in the world. Quick realization of the global summit agreement is necessary.

The premise of realizing the agreement is funding. The GEF (Global Environment Facility) fund which is managed by the World Bank and others will be utilized. However, this funding is far from the scale needed. New mechanisms for raising the necessary funds are sought, but agreement on specific policy is difficult, as symbolized in the discussions at the Tokyo conference.

The interests of advanced nations and developing countries are opposed concerning handling of intellectual property rights such as patents in the problem of transferring technology related to environmental preservation from advanced nations to developing countries. They established action plans by country based on Agenda 21, and decided to report to a sustainable development committee in the United Nations. Many of the developing countries have not been enthusiastic on the action plans and even among the advanced nations, the United States has not yet submitted one.

A special UN General Assembly on the environment is scheduled in 1997. So far, there has only been repeated discussion concerning creation of conditions where the world will unite to undertake it. The Tokyo conference can be positioned as the first step in that. It is desired that Japan not only implement a specific plan, but take leadership in the aspect of creating broad places for discussion.

North Korea

Foreign Ministry on Opening of 'Experts' Talks

SK0711053794 Pyongyang KCNA in English 0531 GMT 7 Nov 94

[FBIS Transcribed Text] Pyongyang, November 7 (KCNA)—A spokesman for the Foreign Ministry of the Democratic People's Republic of Korea issued the following information today concerning the expected experts' discussions for the implementation of the agreed framework between the DPRK and the United States:

The DPRK and the United States recently had a series of working contacts in New York to open experts' discussions for the implementation of their agreed framework.

At the contacts, the sides agreed to hold the experts' discussions for the safe storage of spent fuel in Pyongyang from November 12 to 19, begin experts' discussions for the conclusion of a contract on the provision of light water reactors in Beijing on November 30 and hold experts' discussions for the establishment of liaison offices in Washington from December 6 to 10.

Kim Chong-il Arranges Banquet for Talks Delegates

SK0711002194 Pyongyang Korean Central Broadcasting Network in Korean 2200 GMT 6 Nov 94

[FBIS Translated Text] A banquet that the great leader [yongdoja] of our party and people Comrade Kim Chong-il arranged for the DPRK delegation to the DPRK-United States of America [mihapchungguk] talks, which has returned after marking great achievements in the talks, was held at Mongnangwan on 6 November. Present at the banquet were Comrade Kim Yong-nam, member of the Workers Party of Korea [WPK] Central Committee Political Bureau and vice premier of the Administration Council; Comrade Choe Kwang, member of the WPK Central Committee Political Bureau and chief of the Korean People's Army [KPA] General Staff; Comrades Kye Ung-tae, Chon Pyong-ho, and Han Song-yong, members of the WPK Central Committee Political Bureau and secretaries of the Party Central Committee; Comrade Choe Tae-pok, alternate member of the WPK Central Committee Political Bureau and secretary of the Party Central Committee; Comrades Choe Yong-nim and Hong Song-nam, alternate members of the WPK Central Committee Political Bureau and vice premiers of the Administration Council; Comrade Yang Hyong-sop, alternate member of the WPK Central Committee Political Bureau and chairman of the Supreme People's Assembly; Comrades Paek Hak-nim and Kim Kwang-chin, KPA vice marshals; Comrades Kim Ki-nam, Kim Kuk-tae, Kim Chung-nin, and Kim Yong-sun; and other pertinent officials, along with the members of the delegation.

Comrade Kye Ung-tae delivered a speech at the banquet. Then First Vice Foreign Minister Kang Sok-chu, the head of the delegation, delivered a speech.

The participants in the banquet toasted the eternal life of the great leader Comrade Kim Il-song and the long life and good health of the dear leader Comrade Kim Chong-il, the great leader [yongdoja] of our party and people.

KCNA Reports on 6 Nov Banquet

SK0711041194 Pyongyang KCNA in English 0406 GMT 7 Nov 94

[FBIS Transcribed Text] Pyongyang, November 7 (KCNA)—A banquet given by Comrade Kim Chong-il, the great leader of our party and our people, was held at Mokran House on November 6 for the delegation of the Democratic People's Republic of Korea which has returned after achieving great successes at the DPRK-U.S. talks.

Present there were Vice-premier of the Administration Council Kim Yong-nam and Chief of General Staff of the Korean People's Army Choe Kwang who are members of the Political Bureau of the Central Committee of the Workers' Party of Korea [WPK], senior officials of the party and government, officials concerned and members of the delegation.

Kye Ung-tae, member of the Political Bureau and secretary of the WPK Central Committee, and Kang Sok-chu, first vice-minister of foreign affairs who is head of the delegation made speeches there.

ROK Soldiers Urged Not To Join 'Eagle-94'

SK0511113794 Pyongyang Radio Pyongyang in Korean to South Korea 0910 GMT 4 Nov 94

[Unattributed talk: "Being Driven Out to the 'Eagle-94' Joint Military Exercise Is a Treachery" from the "Hour for Officers and Men of the South Korean Armed Force" program]

[FBIS Translated Text] As you, officers and men of the South Korean Armed Forces, know, our people in the North and the South deem the national reunification as the destiny of the nation and as the life of the people and are vigorously struggling to realize it.

Almost 50 years have passed since the country was divided into the North and the South by outside forces. There is nothing more important than the fatherland's reunification to our nation that is suffering the tragedy of the national division.

Now people at home and abroad assess the recently announced DPRK- U.S. agreed framework as a document with a historic significance in guaranteeing peace on the Korean peninsula, and they unanimously hope for a successful implementation of the agreement. It is doubtless that its successful implementation will create an advantageous phase for peace on the Korean peninsula and for resolving the reunification issue. Accordingly, what is required at present is to prepare a good atmosphere, in which the DPRK-U.S. agreed framework can be implemented without interruption.

At this moment, the Kim Yong-sam group is staging the Eagle-94 joint military exercise, an alternate name of the Team Spirit joint military exercise—which it promised, along with the outside forces, to stop. This is a challenge to our fellow countrymen's aspiration for reunification, as well as an unallowable criminal act that aggravates the tense situation on the Korean peninsula.

Officers and men of the South Korean Armed Forces, young Korean people, should not be driven out to the criminal Eagle-94 joint military exercise being staged by the South Korean puppets along with outside forces. Being driven out to the Eagle-94 joint military exercise that the Kim Yong-sam group is staging with outside forces is a treachery.

There are compatriot brothers in the northern half of the Republic, who share the same blood line with you, officers and men of the South Korean Armed Forces. You are now aiming guns at the compatriot brothers, being driven out to this criminal war exercise. Only national traitors can aim guns at their fellow countrymen and compatriot brothers. The officers and men of the South Korean Armed Forces driven out to the Eagle-94 joint military exercise are now guilty of high treason. Those who want to share opinion with their fellow countrymen and compatriot brothers cannot join an act against the nation.

There are soldiers who oppose the murdering war exercise in the South Korean Armed Forces. This is proven by a revolt against seniors raised at a unit of the 26th Division of the South Korean Armed Forces a few days ago. During a shooting practice, a private first class named So Mun-sok, who belongs to this unit, shot to death two vicious company commander and platoon leader and seriously injured another vicious platoon leader, who forced soldiers to have only murdering war practice, following the Kim Yong-sam group's order. This incident of shooting at random is a due punishment for the Kim Yong-sam group that forces soldiers to conduct only murdering war exercises aimed at harming fellow countrymen, as well as an expression of the stern position that they will no longer be driven out to do treacherous acts.

The recent desertion from barracks of a puppet army division by a group of officers carrying weapons was out of the position that they will no longer be driven to do treacherous acts.

If you, officers and men of the South Korean Armed Forces, love the country, the nation, and your parents and brothers even a little, you should oppose the criminal Eagle-94 joint military exercise. This is a way to hasten the national reunification, the nation's long-cherished desire.

Kim Yong-sam Blamed for Staging 'Eagle-94'

SK0511094794 Pyongyang Radio Pyongyang in Korean to South Korea 0900 GMT 4 Nov 94

[Unattributed talk: "A War Exercise for Northward Invasion Under a Different Name" from the "Hour for Officers and Men of the South Korean Armed Force" program]

[FBIS Translated Text] Officers and men of the South Korean Armed Forces:

The situation on the Korean peninsula has been driven to the brink of war due to the Eagle-94 joint military exercise being frenziedly staged by the Kim Yong-sam traitorous clique along with the U.S. Forces. The U.S. occupation forces in South Korea, the puppet army, and all the reserve forces are mobilized to the aggressive Eagle-94 joint military exercise. The frenzied Eagle-94 joint military exercise—in which they drop bombs and fire rifles and guns in South Korea's sky, land, and sea, mobilizing the South Korean puppet army, the U.S. Forces, and the reserve forces, as well as various weapons of mass destruction—is a war exercise for northward invasion, whose name has been changed from the Team Spirit joint military exercise, a preparatory war and a test nuclear war.

The Eagle-94 joint military exercise being adventurously conducted by the Kim Yong-sam group along with the U.S. Forces is a challenge to the fellow countrymen's aspiration for reunification, as well as a criminal act that aggravates the tense situation on the Korean peninsula.

As is known, the adoption and announcement of the agreed framework between our Republic and the United States has brought a climate of peace and detente to the Korean peninsula. Now people at home and abroad want the DPRK-U.S. agreed framework to be implemented in a good atmosphere.

Nevertheless, the Kim Yong-sam group has set out the Eagle-94 joint military exercise in conspiracy [kongmo] with the U.S. hard- line conservatives [migugui kanggyong posu seryokkwa kongmohaeso]. This is entirely running counter to the spirit of the DPRK-U.S. agreement and is a vicious challenge to the aspiration of the people at home and abroad.

When the DPRK-U.S. agreed framework was announced, the Kim Yong- sam group stirred up with a so-called assessment and acceptance, then it turned its back to stage the adventurous Eagle-94 joint military exercise with the outside forces. This is a product of an intentional maneuver aimed at putting the brakes on the implementation of the agreement, which is not welcomed by the Kim Yong-sam group.

Traitor Kim Yong-sam is frenzied with the war exercise for northward invasion under a different name in order to maintain the last fate of the civilian government which is going to a grave [chemyongul tahan]. However, this cannot break the crisis.

The South Korean puppets refer to this war exercise as an annual defense exercise and the like, but the purpose, content, scale, place, and the mobilized murdering weapons clearly show that it is not different from the Team Spirit joint military exercise, a war exercise aimed at carrying out a sudden preemptive strike against the northern half of the Republic.

The Kim Yong-sam group's maneuver of proceeding with the Eagle-94 joint military exercise aimed at a northward invasion along with outside forces cannot be allowed. If the Kim Yong-sam group makes a fire of war [chonjaengui purul chirundamyon] with outside forces on the Korean peninsula, it will be reduced to the fate of a tiger moth that is running into the flames.

U.S., ROK Stage Combined 'Air War Exercises'

SK0611082594 Pyongyang KCNA in English 0814 GMT 6 Nov 94

["Ceaseless War Games Against the North"—KCNA headline]

[FBIS Transcribed Text] Pyongyang, November 6 (KCNA)—The U.S. imperialist warmaniacs and the South Korean puppets on November 3 and 4 staged large-scale combined air war exercises in the skies above Tokjok and Oeyon islets and Sangdong, South Korea, by massively mobilizing 40 odd overseas-based fighter planes and about 850 fighter planes of the U.S. Seventh Airforce and the puppet airforce, military sources said.

On Thursday ten odd transport planes of the puppet army held an operation of airlifting "commandoes" in the sky above Sinchon-ri, while some 30 carrier-borne planes of various types staged an air war exercise in the sky above East Sea [Sea of Japan] of Korea.

On Friday 20 odd carrier-based aircraft engaged themselves in a drill of surprise bombing on designated targets in the air above Pochon and Sangdong.

The fighter planes involved in the air war games against the North in skies above South Korea on November 3 and 4 totaled more than 1,120.

The U.S. imperialist war-likers and the Kim Yong-sam traitorous clique must look squarely at the trend of the times and stop acting rashly.

Daily Warns About Military Dictatorship in ROK

SK0511050394 Pyongyang KCNA in English 0454 GMT 5 Nov 94

["Specter of Military Dictatorship Raises Head"—KCNA headline]

[FBIS Transcribed Text] Pyongyang, November 5 (KCNA)—In South Korea recently Chon Tu-hwan and No Tae-u retorted against the announcement of the prosecution that the December 12, 1979, military coup "was an undeniable rebellion in view of the military criminal law" and Kim Chong-pil reeled off "exploits" of the traitor Pak Chong-hui.

Commenting on these ill-boding moves, a NODONG SINMUN analyst Saturday [5 November] says:

The "prosecution," at the end of its "investigation" into the December 12 military coup, which had been a target of sharp public censure in South Korea, concluded that Chon Tu-hwan, No Tae-u and others committed "rebellion," but decided to leave them alone without so much as a legal action against them. This indicates that "civilian" politics is a lie and the traitor Kim Yong-sam is tarred with the same brush with Chon and No.

The point is that Chon and No who had seemed to have sought "sanctuaries" under the patronage of Chongwadae [presidential offices] after seating Kim Yong-sam there went the lengths of openly declaring their protest against the conclusion of the "prosecution. Another point is that Kim Chong-pil, one of the chieftains of "Yusin", made no bones of openly lauding the "exploits" of the traitor Pak Chong-hui, the "Yusin dictator.

This confirms that South Korea has fallen into a more deplorable chaos than in the days of military dictatorship in all fields, political, economic, cultural and people's life, consequent upon Kim Yong-sam group's political shipwreck. This also proves that the socalled "reform policy" of the traitor Kim Yong-sam has reached the limits and his capacity of controlling "power" has been paralysed, leaving him in such a poor position as being unable to flog the criminals even though they rise against him.

ROK Defense Minister's Remarks Criticized

SK0411152394 Pyongyang KCNA in English 1509 GMT 4 Nov 94

[FBIS Transcribed Text] Pyongyang, November 4 (KCNA)—The South Korean puppet Defence Minister Yi Pyong-tae recently stringed out the jargon that the establishment of a new peace mechanism proposed by the North "will not be helpful at all to the settlement of peace on the Korean peninsula at the present juncture," according to a radio report from Seoul.

The utterances of Yi Pyong-tae fully reveal once again the bellicose nature of the puppets, the warmanics who are not interested in the least in the peace and stability on the Korean peninsula but seek only national division and confrontation.

As everyone knows, the proposal for replacing the Korean Armistice Agreement with a peace agreement and establishing a new peace mechanism in place of the present truce tool, which was put forward by the Democratic People's Republic of Korea in April, is the most reasonable overture which can check arms build up and recurrence of war on the Korean peninsula, stabilize the situation and practically and reliably ensure a durable peace and stability there.

This notwithstanding, the South Korean rulers who are not a signatory to the Armistice Agreement and are no more than colonial puppets with no operational control on the Army are taking exception to it. This is the height of folly.

It is only too natural that the maniacal passion of North-South confrontation is lurking behind the reckless attempts of the puppets to poke their nose into the issue which can be solved only between the DPRK and the United States and obstruct its settlement at any cost. This is clearly proved by the fact that Yi Pyong-tae made free with bellicose blasts about a "collective security system", blaring that South Korea would "develop military ties" with the United States and "it is inevitable for South Korea to bear the burden for the U.S. military presence."

ROK Brings 'War Equipment' Into DMZ 4 Nov

SK0611082994 Pyongyang KCNA in English 0816 GMT 6 Nov 94

["Military Provocations in DMZ"—KCNA headline]

[FBIS Transcribed Text] Pyongyang, November 6 (KCNA)—The South Korean puppets on Friday brought into the demilitarized zone a 90 mm recoilless gun, a 12.7 mm machine gun, about 100 armed bandits and 40 odd military vehicles carrying a large quantity of war equipment, according to military sources.

Earlier, on the 3rd, dozens of puppet army bandits in the DMZ loaded two 90 mm recoilless guns and a large-calibre machine gun and leveled them at a post of our side.

On the 3rd and 4th, hundreds of puppet army bandits armed with machine guns and automatic rifles thronged into the DMZ and ran about recklessly, getting off into war hysterics.

The South Korean puppets should refrain from rash acts, mindful of the grave consequences to be entailed by military provocations in the DMZ.

Kim Yong-sam's Military Budget Increase Viewed

SK0611145794 Pyongyang Korean Central Broadcasting Network in Korean 1227 GMT 5 Nov 94

[Commentary: "A Grave Challenge to the Trend of the Time"]

[FBIS Translated Text] According to reports, the puppet Defense Ministry announced on 4 November that it has drawn up the military budget for the next year to be 11,074,400 million won, up as much as 9.9 percent from this year. This is another grave challenge to the trend of the time and plainly shows again the belligerent nature of the Kim Yong-sam clique that pursues confrontation and war.

As everyone knows, the recent conclusion of DPRK-U.S. talks in Geneva and the announcement of the DPRK-U.S. agreed framework is a epoch-marking event in easing tensions and guaranteeing peace. Not only the Korean people, but all the peace-loving people of the world absolutely support and welcome this situational development.

However, the Kim Yong-sam puppet clique continues to viciously challenge the trend of the time, aggravating the tense situation on the Korean peninsula.

As reported, the Kim Yong-sam clique has frenziedly staged the large scale Eagle-94 joint military exercise in South Korea in collusion with outside forces for a week since 1 November, driving the situation artificially [inwijoguro] to the brink of war.

While tensing the situation by being engaged in such a worthless game with fire as the Eagle-94, the Kim Yong-sam puppet clique has decided to sharply increase the military budget for the coming year. This plainly proves that the rascals are stubbornly pursuing confrontation and war between the North and the South.

In fact, the Kim Yong-sam puppet clique does not have the slightest interest in easing tensions or building peace and security on the Korean peninsula, and is immersed only in reversing the trend of the time and lighting the fuse of war to realize its ambition of reunification by defeating communism.

This is obviously proved by traitor Kim Yong-sam's absurd remark in public that it is his dream and goal to reunify the country under a liberal democratic system. It is needless to say the reunification under a liberal democratic system means a reunification by invading the North and defeating communism. To realize this dream, the Kim Yong-sam clique is making every desperate effort, yielding everything up to this.

The Kim Yong-sam clique is outwardly talking about national reconciliation and dialogue, but this is nothing but a cunning trick to hiding its belligerent nature. In fact, the Kim Yong-sam clique under the cloak of a civilian government surpasses all the previous military rulers in belligerence.

The Kim Yong-sam puppet clique, however, should be clearly aware that it will gain nothing from confrontation and war. Pursuing confrontation and war will only reveal the rascals' antinational and antireunifation nature more clearly and will hasten their disgraceful ruin. The Kim Yong-sam clique should look straight at the trend of the times and act discreetly.

'Criminal Intention' Revealed

SK0611084894 Pyongyang KCNA in English 0832 GMT 6 Nov 94

[FBIS Transcribed Text] Pyongyang, November 6 (KCNA)—The South Korean puppet defence ministry on Friday announced that it had worked out a "defence budget" for next year amounting to 11,074,400 million won, an increase of 9.9 percent above this year, according to a radio report from Seoul.

The decision of the Kim Yong-sam group to considerably increase the "defence budget" for next year reveals its criminal intention to step up arms buildup and new war provocative moves. This is an unpardonable criminal step which will drive the military situation of the Korean peninsula to the extreme pitch of strain.

It must not go unnoticed that the South Korean puppets scheme to sharply increase the "defence" spendings at a time when a climate of detente and peace on the Korean peninsula has been created with the conclusion of the DPRK-U.S. talks and the adoption of the agreed framework.

This discloses their criminal intention to put the brake on the implementation of the agreed framework adopted between the DPRK and the U.S. with much efforts, lead the North-South relations to the worst phase and realize "unification of systems" by overwhelming the North by force of arms with help of outside forces.

It is an intolerable insult to the dialogue partner to offer a handshake with a dagger hidden under the cloak.

The Kim Yong-sam warmaniacs must not act rashly, mindful that there is no mercy in a war.

Principles for Peaceful Reunification Stressed

SK0711131794 Pyongyang Korean Central Broadcasting Network in Korean 0628 GMT 7 Nov 94

[Unattributed talk: "The Three Principles of Independence, Peaceful Reunification, and Great National Unity Are the Firm Basis of the Fatherland's Reunification"]

[FBIS Translated Text] Today it is a unanimous desire of all the Korean people in the North, the South, and overseas to reunify the fatherland as soon as possible. The three principles of independence, peaceful reunification, and great national unity are the programmatic guidelines that the 70 million compatriots must firmly adhere to in realizing the fatherland's reunification, the greatest and long-cherished national desire.

The great leader Comrade Kim Il-song taught: The three principles of independence, peaceful reunification, and great national unity is the most just program for achieving the fatherland's reunification in conformity with our people's desire and intent.

Let us reunify the fatherland by ourselves, the Korean people, as the masters, without outside forces' interference. Let us peacefully reunify the fatherland without fighting with fellow countrymen. No one can oppose that all the people—regardless of communists, nationalists, or religious people—should achieve the reunification, with firm national unity.

Today, the three principles for the fatherland's reunification presented by us still serve as the guideline of the movement for reunifying the fatherland, and as the nation's common reunification program.

The the three principles of independence, peaceful reunification, and great national unity are the most just principles based on the nature and characteristics of the reunification issue and on our people's desire for a resolution of the issue, as well as a common code of conduct solemnly declared at home and abroad in the 4 July joint declaration.

The Korean reunification issue is, in nature, a matter of reconnecting the national blood line divided artificially by outside forces, achieving a national unity, and realizing the national sovereignty for the whole county.

The fatherland's reunification issue is a matter of our country's domestic affairs and of our nation's exercise of its sovereignty. Accordingly, the 70 million Korean people are in charge of the fatherland's reunification. No outside force has the right to interfere in our country's domestic affairs or can resolve the Korean reunification issue in lieu of our people.

Therefore, our people, the main forces in resolving the fatherland's reunification issue, should firmly adhere to their independent position. Only when they firmly adhere to their independent position, can our people exclude outside forces' interference in the fatherland's reunification issue and achieve national reunification with their own strength, in accordance with their intent and interests.

Our country's reunification should be realized in a peaceful way, not by means of war. It is our people's unanimous demand to reunify the country peacefully, not by means of war. There is no ground for the fellow Koreans to fight in reunifying the divided fatherland. The destiny of the nation and the fate and fortunes of the people are directly linked with peace. Only if the Korean issue is resolved in a peaceful way, can the peace of our country and Asia be maintained and consolidated, and can national safety and prosperity be guaranteed.

The fatherland's reunification is work to solve life-or-death problems concerning all people's interests and is the nation's common cause that can be achieved only through a joint struggle by the whole nation. The nationwide attribute of the fatherland's reunification requires all patriotic forces of various classes and strata in the North, the South, and overseas—who oppose division and desire reunification—to firmly unify themselves in one, overcoming differences in ideology, political opinion, and religion, and to and bring their wisdom and strength together.

Our people should firmly unify themselves in one to fulfill their responsibility and role as the main forces of the fatherland's reunification. The great national unity is the basic prerequisite [kunbon chonje] and intrinsic content of the independent and peaceful reunification of the fatherland.

The great leader Comrade Kim Il-song drew up and published the 10-Point Program of the Great Unity of the Whole Nation for an early reunification of the fatherland in April 1993, thus elucidating again brightly the shortcut to reunification.

The great national unity means the reunification of the fatherland. When the fellow countrymen in the North, the South, and overseas struggle, being firmly unified in one, they can become superior forces and can isolate and weaken a small minority of divisionist forces [kuksosuui punyolchuui seryogul korip yakhwasikigo] and achieve independent and peaceful reunification.

The three principles of independence, peaceful reunification, and great national unity are the fairest and most just principles that make it possible to resolve the reunification issue in conformity with our people's aspiration and demand, as well as our country's specific realities.

The three principles are the banner on which our people should firmly depend in struggling for the country's peace and reunification, no matter how the situation will develop in the future. This is because the principles are the starting point and the ground for resolving the fatherland's reunification issue, and are an authorized principle, which cannot be unilaterally distorted by, nor can whose usefulness be overlooked by, anyone in the North and the South.

The Workers' Party of Korea and the Government of the Republic presented reasonable and realistic proposals to hasten the independent and peaceful reunification of the country, thoroughly based on the three principles for the fatherland's reunification, which have been solemnly declared at home and abroad, and has made every sincere effort to realize them.

However, the South Korean puppets are running along the road of depending upon outside forces, not independence; of aggravating tensions, not peaceful reunification; and of anticommunism and confrontation, not great national unity.

In a so-called ceremony of the Armed Forces Day on 1 November, puppet traitor Kim Yong-sam, a vicious antireunification element [kugakhan pantongil punja], said that reunification under a liberal democratic system is his dream and goal. Meanwhile, the rascal's top-class puppets said they should reunify the country after enhancing their strength, without hesitation, echoing traitor Kim Yong-sam's antireunification preposterous sophistry; abused [maedo] the South Korean people's insistence on reunification as a fanciful dogma and insistence of those who are obsessed with the reunification-for-reunification theory [tongil chisangnonjadurui hwansangjok chuui chujang]; and said reunification can be achieved only when the North changes.

The remarks that reunification under a liberal democratic system is a dream and goal and that the realization of reunification should not be rushed were made at a time when almost half a century has passed since the country and the nation were divided by outside forces, and when the 70 million fellow countrymen in the North, the South, and overseas have launched into the struggle to make 1995 the first year of reunification. This antireunification curse [aktam] can be made only by the Kim Yong-sam puppet clique that is pursuing a permanent division of the nation.

It is impossible to achieve national reunification with the Kim Yong-sam puppets, who are dreaming a reunification by defeating communism, as they are. The 70 million fellow countrymen, who have sentenced the Kim Yong-sam puppet clique—a national traitorous group that is running along the road of anti-independence, antipeace, and antireunification—to death, are vigorously accelerating the onward march of reunification.

All the Korean people in the North, the South, and overseas will achieve the cause of reunifying the fatherland in the nineties, without fail, by vigorously struggling for the fatherland's reunification under the leadership of the dear leader Comrade Kim Chong-il, the guiding sun [hyangdoui taeyang], upholding the three principles of independence, peaceful reunification, and great national unity and the 10-Point Program of the Great Unity of the Whole Nation for the Reunification of the Fatherland elucidated by the respected and beloved leader Comrade Kim Il-song, the eternal great sun of the nation.

'Full' Text of Kim's 'Socialism Is a Science'

SK0711054294 Pyongyang KCNA in English 0429 GMT 7 Nov 94

[FBIS Transcribed Text] Pyongyang, November 7 (KCNA)—Comrade Kim Chong-il, the great leader of our party and people, published the treatise "Socialism Is a Science" on November 1, 1994.

The treatise reads in full:

Kim Chong-il. Socialism Is a Science. (Treatise contributed to NODONG SINMUN, organ of the Central Committee of the Workers' Party of Korea). November 1, 1994.

Socialism is a science. Socialism has been frustrated in a number of countries, but scientific socialism is as alive as ever in the minds of the people. The imperialists and reactionaries are fussing about the "end of socialism", with regard to the events in some countries which had been building socialism. The renegades of socialism try to justify their despicable betrayal, claiming that the ideal of socialism itself is invalid. However, the truth cannot be concealed or obliterated. The crumbling of socialism in various countries does not mean the failure of socialism as science but the bankruptcy of opportunism which has corrupted socialism. Although socialism is temporarily experiencing a heart-rending setback because of opportunism, it will without fail be revived and win ultimate victory for its scientific accuracy and truth. 1—Socialism is the ideal and the revolutionary banner of the popular masses who are fighting for independence. The masses achieve their independence by means of socialism and communism. 2—The people's independence was ruthlessly trampled upon in the hostile class society. Where there is oppression, there will be resistance; where there is resistance, revolution will break out. The popular masses have vigorously struggled to win their independence for a long time. During this, class societies have changed and the struggle of the masses for independence has developed. However, the only changes brought about when hostile class societies were replaced, were in the forms of oppression of the popular masses' independence; the masses were not freed from social and political subordination.

The failure to attain the masses' independence in hostile class societies was because all these societies were based on individualism. Individualism is the product of private ownership. Society, based on private ownership and its product, individualism, inevitably splits into hostile classes, produces class antagonism and social inequality, and is accompanied by the exploitation and oppression of the popular masses by a small ruling class. History shows that independence for the masses cannot be realized in a society based on individualism. A historical review of the development of human society proves that, in order to realize the masses' independence, a society based on individualism must be replaced by a society based on collectivism, by socialism and communism. 3—Capitalism has turned individualism into the unlimited greed of a handful of capitalists; it has precipitated antagonism in the society of individualism to the utmost. Meanwhile, the masses' struggle for independence has entered a new stage of development. Ours is an age of independence, when the popular masses have emerged as masters of their own destiny, as masters who dominate the world. This shows that the transition of a society based on individualism to a society based on collectivism is an inevitable demand of historical development.

Collectivism is man's intrinsic need. People can exist and develop only when they work as a social collective. People can transform nature and society and meet their desire for independence, not as individuals, but only through collective cooperation among members of society. If people are to live in a social collective, they must meet both their collective and individual demands for independence. The collective demand for independence is the common requirement of members of society for the existence and development of the social collective. The individual need for independence is the need as an equal member of a social collective; it is the need which should naturally be met through collective efforts in return for his contribution to society. The individual need for independence fundamentally differs from selfish greed, which ignores the collective and subordinates everything to the interests of an individual. Both the collective and individual needs for independence can be satisfied to the fullest only through collectivism. Individual demand divorced from collectivism becomes selfish greed. Such greed encroaches upon the demands of other members of the collective for independence, and hampers the unity and cooperation of the collective. Collectivism alone makes it possible to strengthen the unity and cooperation of the collective, to stimulate the creative zeal of all collective members and to properly combine both the collective and individual demands for independence and thus fully meet them. Because working in a social collective is the mode of man's existence, and because man's demand for independence can be satisfied only through collectivism, society based on collectivism, socialist and communist society, is the most progressive society which conforms with man's independent nature.

4—Certainly, collectivist principles are not fully applied in all spheres of social life immediately after the establishment of a socialist system, because in socialist society the vestiges from the old society remain for some time. The survival in socialist society of the remnants of the outmoded society is a passing phenomenon. With the development of socialism, these vestiges are gradually overcome and collectivist principles are implemented more fully in all areas of social life

Although socialism is an inevitable stage of historical development and socialist society is the most progressive one which conforms with man's independent nature, socialism will never be realized spontaneously. In order to realize socialism, we must prepare the revolutionary forces capable of doing this and evolve a correct method of struggle. Unless the revolutionary forces and the method of struggle are prepared, the desire for independence of the popular masses who aspire after socialism will remain a mere wish.

The idea of eliminating exploitation, oppression and social inequality, as well as the private ownership on which these are based, and of setting up an equal society based on public ownership, was put forward by utopian socialists a long time ago. However, the utopian socialists, despite their sympathy for the misery of the exploited working masses, failed to see them as the revolutionary force capable of burying the exploitative society and building a new society. They considered that the irrational aspects of capitalist society could be corrected by enlightening people and appealing to the "good will" of the exploiter class. It is an unscientific illusion to expect "good will" from the exploiter class, whose nature is greed. The utopian socialists' expectation of "good will" from the exploiter class was their historical limitation. 5—The exploiter class and their stooges put forward the "theory of class cooperation" and tried to block the struggle of the exploited working masses against exploitation and oppression. Within the Communist movement, reformists and revisionists demanded "class cooperation" and seriously harmed the revolutionary movement. Today, traitors to socialism are those clamouring for a return to capitalism, harbouring illusions about capitalism and expecting "aid" and "cooperation" from the imperialists. History shows that to expect "good will" or "class cooperation" from the exploiter class is to make a mess of the revolution.

Marxism combined the demands of working people who aspire to socialism, with revolutionary forces and a revolutionary fighting method. Marxism made clear that contradictions existed between the productive forces and relations of production in capitalist society; that these contradictions could be resolved through the class struggle of the exploited working people against the exploiter class; and that the working class would take charge of and lead this class struggle. Thanks to Marxism, the inevitability of the collapse of capitalism and the victory of socialism was proved, and the demands of exploited working people who aspire to socialism were linked with practical revolutionary forces and a revolutionary fighting method capable of meeting their demands. Socialism was thus converted from a utopian scheme into a science, and a revolutionary change took place in the history of humanity's struggle for liberation. 6—However, the theory of socialism in the preceding age, based on a materialist outlook on history, was not free from historical limitations. This theory did not regard the social and historical movement as a movement of the motive force, as a movement which begins and develops on the initiative and through the role of the popular masses, its motive force, but as a natural historical process which changes and develops mainly due to material and economic factors. According to the materialist outlook on history, the more the productive forces develop in a capitalist society, the more intensive the incompatible contradictions between the productive forces and relations of production and the antagonism between the exploiter class and the exploited class grow, the more the working class and other revolutionary forces develop in strength and, accordingly, the more the revolution matures. Seeing material and economic factors as fundamental in the revolutionary struggle the preceding theory of socialism failed to raise the task of strengthening the motive force of the revolution and enhancing its role as the basic way to carry out the revolution.

As for the influence exerted by the development of productive forces in capitalist society, we must not approach it from only one side. The development of the productive forces in capitalist society intensifies the bipolar differentiation, that is the widening gap between rich and poor. It sharpens class contradictions, while at the same time, it provides the imperialists with increasing possibilities to spend part of their high profits on soothing class contradictions. In addition, the development of the productive forces results in the expansion of the ranks of industrial workers by their incorporation of peasants and other petit bourgeois classes, and also in an increased proportion of workers engaged in mental and technical labour in the productive sectors, as well as those in non-productive sectors.

7—Of course, objective conditions have a great influence on the revolutionary struggle. But the decisive factor in the victory of the revolution lies not in objective conditions, but in how to strengthen the motive force of the revolution and how to raise its role. Whether in a developed capitalist country or an underdeveloped one, socialism can emerge victorious if the motive force of the revolution is strengthened and its role enhanced through efficient work. History shows that socialism first triumphed in relatively backward countries, not in the countries where capitalism had developed. The experience of our revolution, which has advanced under the banner of the chuche idea, shows that if we strengthen the motive force of the revolution and enhance its role, we can not only avail ourselves of the given objective conditions but also turn unfavourable objective conditions into favourable ones and, ensure the victory of the revolution by turning a misfortune into a blessing.

The limitations of the preceding theory based on the materialist outlook on history have been revealed more clearly in the course of socialist construction since the establishment of the socialist system.

In general, the more a society develops, the greater the role played by the popular masses, the driving force of social movement, becomes. This is because their independent consciousness and creative ability increase with the development of society. The role of the popular masses as the driving force of social movement is raised to an unprecedented level in socialist society. Socialist society develops thanks to the creative power of the popular masses who are armed with a high level of consciousness and are united as one. In socialist society, the transformation of man, his ideological remoulding, becomes a more important and primary task than that of creating the material and economic conditions of socialism. Only when precedence is given to the transformation of man, will it be possible to strengthen the driving force of the revolution and increase its role, and thus build socialism successfully. If the ideological remoulding of the popular masses is regarded as a matter of secondary importance and the work of strengthening the driving force of the revolution and enhancing its role is neglected in socialist society, while attaching decisive importance to the objective material and economic conditions and concentrating only on economic construction, the building of socialism as a whole cannot be carried out properly and economic construction itself cannot avoid stagnation. These practices were very apparent in some countries which had been building socialism in the past. Taking advantage of this, the renegades of socialism carried out "reforms" and committed counterrevolutionary acts, destroying the socialist economic system itself. 8—In the past, the founders of Marxism evolved socialist theory by putting the main stress on material and economic conditions. This is to do with the fact that it was regarded as an important historical task to disprove the bourgeois reactionary theory which consecrated capitalism and preached its "eternity" while maintaining mysticism and fatalism. But now, the renegades of socialism are advocating the material-is-almighty doctrine and the economy-is- almighty doctrine in order to restore capitalism, for which they harbour illusions.

Putting socialism on a new, scientific basis was regarded as a very urgent task, not only to overcome the historical limitations of the preceding theory of socialism, but also to defend socialism against all kinds of opportunist distortions and imperialist attacks.

The historical task of putting socialism on a new scientific basis was successfully solved by the great leader Comrade Kim Il- song, who created the chuche idea and, on this basis, evolved an original socialist theory. Respected Comrade Kim Il-song discovered the philosophical principle that man is the master of everything and decides everything. He explained a new law which governs social movement, the movement of the motive force, and he thus put socialism on a new, scientific basis. The socialist and communist cause as clarified by the chuche idea is the cause of the popular masses for their complete independence. Socialism as scientifically systematized by the great leader Comrade Kim Il-song is man-centred socialism and socialism centred on the masses. Ours is a socialism where the popular masses are the masters of everything, where everything serves them, and which is developing through their united efforts. The chuche-orientated theory of socialism scientifically clarified the essence of socialism and the law governing its development, by placing man at the centre. On this basis, the theory explained that if the building of socialism is to succeed, a vigorous struggle must be waged to occupy the two fortresses of socialism and communism, the ideological and material fortresses, and that here, absolute precedence must be given to the struggle to take the ideological fortress. 9—The scientific accuracy and truth of the chuche-orientated theory of socialism have been proved by the practical experience of our revolution. Our people began to wage the struggle for socialism in the backward circumstances of a colonial semi-feudal society. They had to carry out the revolution and construction under unusually difficult circumstances. Despite this, our party could successfully blaze the trail for socialism by constantly making its main task that of firmly uniting the popular masses around the party and the leader, organizationally and ideologically, as required by the chuche idea, thus strengthening the driving force of the revolution and enhancing its role. Our party is increasing the political and ideological might of our revolution in every possible way by giving definite priority to the transformation of man, to ideological remoulding, in all work in the building of socialism, while at the same time, strengthening our self-reliant national economy and defence. As a result, it is vigorously advancing the revolution and construction without vacillation, even under the present complex circumstances. Practical experience clearly shows that our socialism, the embodiment of the chuche idea, is the most scientific and viable socialism. [Item contains KCNA notation "(to be continued)"; the 0400 GMT cast signed off at 0531 GMT without having been observed to carry any further text of "Socialism Is a Science"]

2—Our socialism is based on the chuche-orientated view of and attitude of man. [subhead]

The view of and attitude to man are the basic questions concerning what view and attitude one has in one's understanding of the development of society and the revolution. They constitute the standard for the scientific character and validity of ideas and theories, and of lines and policies. The scientific character and truth of our socialism lies in the fact that it is based on the absolutely correct, chuche-oriented view of and attitude to man.

The chuche idea has given a scientific definition of man's essential qualities, for the first time in history.

Understanding man's essential qualities is not merely a matter of science but a sociopolitical issue which reflects class interests. Throughout history, serious philosophical arguments have taken place on this issue between progressive and reactionary views.

The reactionary ruling classes and their mouthpieces distorted man's essential qualities in the interests of the exploiting class, in order to justify their exploitative society. Philosophical arguments on man's essential qualities formerly boiled down to two dominant views; one regarded man as a spiritual being and the other considered him a material being. According to the religious, idealist view, which regards man as a purely spiritual being, man is a product of a certain supernatural, mysterious being and his destiny is also decided by the latter. By means of their religious, idealist view of man, the reactionary ruling class and its spokesmen preached that the miserable lot of the working masses who suffered exploitation and oppression was their unavoidable fate and therefore, they had to submit to their predestined lot. The view which regards man as simply a natural, biological being makes it impossible to understand the qualitative difference between man, who acts purposefully and consciously under the regulation and control of consciousness, and a biological being which is governed by instinct. The reactionary ruling class and its spokesmen used this view to justify capitalist society, which is ruled by the law of the jungle.

Having recourse to the reactionary viewpoint and attitude towards man, the renegades of socialism are restoring capitalism through the introduction of bourgeois liberalism and the capitalist market economy.

Man is neither a purely spiritual being nor a simple biological being. Man is a social being who lives and acts in social relationships. The fact that man is a social being is the major quality which distinguishes him from other biological beings.

Marxism defined man's essential quality as the sum total of social relations. This definition rendered a historic service by shattering the unscientific, reactionary view which regarded man as a purely spiritual being or a simple biological being. However, the definition of man's essential quality as the sum total of social relations does not provide a comprehensive elucidation of man's own essential qualities. Consequently, it cannot correctly explain the relations between man and the world, or the position and role of man in the world.

The chuche idea has, for the first time, found a scientific solution to the question of man's own essential qualities. On this basis, it has thrown a new light on his position and role in the world.

In the past, many attempts were made to elucidate man's essential qualities by dealing mainly with his own features, for example, attempts to define man as a speaking, working, or thinking being. These attempts, however, all dealt with certain aspects of man's actions, which are the expression of his essential qualities.

Man is a social being with independence, creativity and consciousness. Herein lie his essential qualities.

Independence is an attribute of social man, who wants to live and develop independently as the master of the world and his destiny, free from any fetters or restrictions. Creativity is an attribute of social man, who transforms the world and shapes his destiny purposefully and consciously in order to meet his needs. Consciousness is social man's attribute. It regulates all his activities for understanding and transforming the world and himself. Independence and creativity are ensured by consciousness. Man is distinguished qualitatively from animals, which act instinctively, in that he conducts independent and creative activities with consciousness. The course of man's activities is the process whereby he expresses his independence, creativity and consciousness. Independent, creative and conscious activities constitute man's mode of existence.

Man as a social being with independence, creativity and consciousness is inconceivable outside his developed organism, especially his highly developed brain. His developed organism is the biological basis of his independence, creativity and consciousness. However, the organism itself does not give birth to independence, creativity or consciousness. Man's independence, creativity and consciousness are social attributes which are formed and developed through a sociohistorical process, where he acts in social relationships.

Because he has independence, creativity and consciousness, man can shape his destiny through his own efforts. The fate of a biological being depends on how it adapts itself to its objective environment. A biological being is a part of nature and its fate is decided by objective environments, so to speak. Unlike biological beings, man is the master and transformer of the world. He shapes his destiny on his own, by transforming the objective world to meet his needs. With the development of his independence, creativity and consciousness, man's position and role as the master and transformer of the world are strengthened. This is expressed in his transformation of nature and society. As man's independent ideological consciousness and creative ability develop and his role increases, social wealth increases and social relations improve. In historical development, each generation starts with the social wealth and social relations created by its predecessors, in other words, with the existing objective conditions, and uses these. These objective conditions have an important effect on social development, but these conditions themselves are the historical product of man's independent, creative and conscious activities. They are also used and developed by man. Favourable as the existing objective conditions may be, if the independence, creativity and consciousness of man, who exploits and develops these conditions, are not high and brought into full play, society cannot develop quickly. Even if objective conditions are disadvantageous, society can rapidly develop when man's independence, creativity and consciousness are high and put into full effect. This means that the historical process of social development is decided by the level of development and of mobilization of man's independence, creativity and consciousness. For a long time, the exploited working masses wanted to live in an equitable, new society free from exploitation and oppression, but they could not fulfil their desire in the past because their independent ideological consciousness and creative ability were not high and their role was at a low level. Man transforms nature and society and develops history. With the rapid development of his independent ideological consciousness and creative ability and the enhancement of his role, the development of society and history is promoted and the revolution and construction are successfully speeded up. The history of social development is, in the long run, the history of the development of man's independence, creativity and consciousness, so to speak.

Because he is independent, creative and conscious, man is the most precious and powerful being. Man is the only master and remaker of the world. Nothing in the world is more precious or powerful than man.

However, bourgeois reactionaries do not regard man as the most precious being, but as a means for material production and an insignificant being who possesses only labour power, which is bought and sold as a commodity. They also consider him a powerless being dominated by money, not as a powerful being who shapes his destiny through his own efforts. The betrayers of socialism are restoring capitalism and eliminating all the popular policies established by socialism. They regard unemployment and poverty as means for pressurising people, in order to force them to compete, and in order to increase labour intensity. They grovel at the feet of imperialists, expecting "aid" and "cooperation" from Western capitalist countries, instead of believing in the strength of their people. All this is due to their reactionary bourgeois view of man.

Man-centred socialism is based on chuche-orientated sociohistorical principles, which provided a new, scientific clarification of the law of sociohistorical development, by focusing on man. Socialism centred on man is the most scientific socialism. It makes everything serve man and solves every problem by enhancing his creative role, based on the chuche-orientated view of and attitude to man. Our socialism champions and thoroughly ensures man's independence, and quickly improves and gives full play to his ideological consciousness and creative ability in order to strengthen, as never before, the position and role of man as the master and transformer of the world, and to press on with the revolution and construction.

The chuche idea also newly clarified the essence and the value of man's life.

When man is regarded as an organic body, his life means a physical life. However, he is not a being who only leads a physical life. The chuche idea indicated, for the first time in history, that a man has sociopolitical integrity, as well as a physical life. Physical life is a man's life as an organic body, whereas sociopolitical integrity is a man's life as a social being. Sociopolitical integrity is the life which is unique to man as a social being.

For a man, physical life is valuable. Only when he has a physical life, can he acquire sociopolitical integrity. In this sense, we can say that the material life which implements the demand for physical life is the life which implements his primary needs. As men is a social being who is different from a simple biological being, his demand for material life constantly increases as his independence, creativity and consciousness develop and as society develops. His material life affects his sociopolitical integrity. A stable and sound material life fully guarantees his demand for physical life, and at the same time, it constitutes a material guarantee for the maintenance and development of his sociopolitical integrity.

For a man, physical life is precious, but his sociopolitical integrity is more precious. It is the intrinsic need of man as a social being to value his sociopolitical integrity more than his physical life. If a man only seeks to satisfy his demand for physical life, and not his demand for a sociopolitical life, his life can never be an honourable one, no matter how affluent it is. Such a material life will be reduced to a deformed and abnormal life, no better than an animal life, and will run counter to man's intrinsic nature.

Independence is the life and soul of man. Man, an independent social being, desires to live independently, free from any subordination or shackles. For man to live independently means that he lives as the master of the world and of his own destiny and he exercises his rights as such. Only when man lives as a social being, exercising his right to independence and implementing his demand for independence, can he be said to enjoy a dignified life, maintaining sociopolitical integrity. If he loses his independence and is subordinated to others, he is as good as dead socially and politically, even though he is alive. Man's desire to live independently is realized, first of all, through an independent political life. When man is subordinated socially and politically, he cannot lead any kind of independent life.

As sociopolitical integrity is man's most precious life, a noble life for him is to maintain and exalt sociopolitical integrity. Man receives sociopolitical integrity from the social collective. The social collective is the parent body of man's sociopolitical integrity. Therefore, the worth of man's life depends on how he is connected with the social collective. Man's life becomes noble when he is loved and trusted by the social collective; it is worthless when he is forsaken by it. Man enjoys the love and trust of the social collective when he considers the interests of the social collective to be dearer than those of individuals and when he faithfully serves the social collective. In the final analysis, the greatest value and worth of man's life is to lead an independent and creative life, enjoying the love and trust of the social collective, while at the same time combining his own destiny with that of the social collective and serving it heart and soul. This is the way for man to enhance his sociopolitical integrity and lead a worthy human life as a social being.

Today, the bourgeois reactionaries and renegades of socialism regard the exploitation and domination of man by man as something normal and consider man as a base being who only pursues his own material desires. This clearly demonstrates the reactionary nature of the bourgeois viewpoint and attitude towards the essence and worth of man's life.

True human life, which enables everyone to enhance their most precious sociopolitical integrity and fully meet the demands of their physical life, can only be realized admirably in a socialist society based on collectivism. In this society, people are free from all manner of exploitation and oppression, domination and subordination and can lead an independent and creative life in social, political and all other areas. In socialist society, we must organize people's organizational and ideological life properly, as well as their cultural life, in order to enable them to lead an independent and creative life, with a high consciousness and an ability which befits the masters of society. People can make great contributions to society and the collective and lead a worthy life as proud members of society and the collective, only when they are fully equipped with an independent consciousness and have comprehensively developed creative ability, through their revolutionary organizational and ideological life and their moral and rich cultural life.

Our socialism is genuinely man-centred socialism. It regards man as most precious and fully meets his intrinsic requirements. It thus enables everyone to keep and greatly enhance their sociopolitical integrity. It also fully meets the demands of their physical life. Man-centred socialism enables all members of society to live in harmony, enjoying the love and trust of society and the collective, and to lead a completely noble and worthy life, while working devotedly for society and the collective with a high degree of consciousness and creative ability.

3—Our socialism is based on the chuche-orientated view of and attitude towards the masses of the people.

The truth and advantages of socialism are demonstrated in the people's support of and trust in it. Since our socialism is based on the chuche-orientated view of and attitude towards the masses of the people, it has become the most advantageous and powerful socialism and enjoys the people's absolute support and trust.

The masses of the people are the motive force of history. The masses of the people means a united social community which centres on working people, due to their common demand for independence and creative activity.

The phrase "the masses of the people" assumes a class character in class society. An exploiter society is divided into the exploiter class and the exploited class, or the ruling class and the ruled class, depending on who owns the means of production and who controls state power. The exploited class, the ruled class, forms the majority of the masses of the people. The class structure of the masses of the people is not immutable. It changes as social history develops. In capitalist society, not only workers and peasants, but also working intellectuals and many other classes and strata which champion and struggle for independence, form the masses of the people. In socialist society, all people are transformed into socialist working people, so everyone is a member of the masses of the people. Of course, in socialist society, too, the manoeuvres of minor hostile elements continue and traitors may appear in the revolutionary ranks. Therefore, it is also necessary in socialist society to clearly distinguish between the masses of the people and elements hostile to them.

The phrase "the masses of the people" reflects a social and class relationship, but it is not merely a class concept. Naturally, the masses of the people consist of different classes and strata. In order to distinguish whether one is a member of the masses of the people or not, his social and class status should be considered, but this must not be regarded as absolute. Man's ideas and behaviour are not subject solely to the influence of his social and class status. If he undergoes revolutionary influence and acquires progressive ideas, he can serve the masses of the people regardless of his social and class status. The basic criterion for deciding whether one is a member of the masses of the people or not is not one's social and class origin, but one's ideas. It is not the ideas of socialism and communism alone that make the ideological foundation on which to unite people from all walks of life into the masses of the people. Anyone who loves the country, the people and the nation can serve the people and accordingly, is qualified to be a member of the masses of the people.

From such a point of view, at every stage of the revolution, the great leader Comrade Kim Il-song closely united everyone who was ideologically ready to serve the fatherland, the people and the nation into one revolutionary force, and thus successfully carried out the revolution and construction. Our party trusts people of different classes and strata who are interested in the revolution. It considers them everlasting companions not chance fellow travellers, on the road to revolution, and it is leading them along the road to socialism and communism.

The class nature of the imperialists and reactionaries makes them antagonistic to the masses of the people. Accordingly, they are afraid of the word "people" itself. Frequently using the word "nation", they try to cover up the class confrontation and antagonism of capitalist society. The traitors to socialism also try to disguise their anti- popular manoeuvres with the word "citizen". They purport to be building a "society for citizens". It is true that one can often hear reactionaries and traitors hypocritically using the word "people". But those hostile to the people, the betrayers of the people, cannot hide their anti-popular nature, even though they use the word "people". "People" is a noble word that can be used proudly only by those who are faithful to the people, the communists who fight and devote themselves wholly to the interests of the masses of the people.

The great leader Comrade Kim Il-song regarded the people as "heaven", since his youth. He ensured that the word "people" was used in naming the country, the Army, monuments and many noble and beautiful things in the country. Because our socialism regards the people as such valuable beings, it has become a socialism centred on the masses, the most advantageous socialism which fully embodies the demand of the people for independence.

The masses of the people are the masters of everything in society. This is because everything in society is created by the masses of the people.

The popular masses possess the greatest creative power for transforming nature and society. An individual's strength and wisdom are limited, but those of the popular masses are unlimited. If there is an omniscient and omnipotent being in this world, it is none other than the popular masses. By drawing on their unfathomable strength and wisdom, the masses create everything in society, they advance history and drive the revolution forward. The popular masses transform nature, develop the productive forces and create material wealth. Of course, the capitalist class is interested in developing the productive forces in order to gain more profits, but capitalists do not create material wealth with their own hands. The masses create ideological and cultural wealth directly, and also produce progressive thinkers, prominent scientists and talented men of art and literature. The exploiter class also put forward their own ideological and cultural mouthpieces, but the ideas and culture they produce obstruct a healthy social life and development. The masses transform society. The reactionary exploiter class is only interested in maintaining and consolidating the outmoded exploitative system, not in social transformation. The farce of "reform" staged by the ruling bourgeoisie is essentially aimed at extricating themselves from the crisis of capitalism. Social transformation on progressive lines can only be carried out by the awakened and united popular masses. Since everything in society is created by the masses, they must naturally be the masters of everything. Only in socialist society, where state power and the means of production belong to the people, can the masses be the real masters of everything in society.

Since they are the masters of everything in society, the popular masses must occupy the position of masters. They must exercise their rights, fulfil their responsibility and role as masters, and enjoy a worthy and happy life as masters.

As they are the masters of everything in society, the popular masses must hold the position of masters and exercise their rights as such.

The popular masses' desire for independence is to occupy the position of masters and exercise their rights as such. Independence is the lifeblood of the masses, and their independent status and right to independence are the basic conditions on which their destiny depends. As they are the masters of state and society, the popular masses must occupy the position of masters and exercise their rights as such in politics, the economy, culture and in all other fields of social life.

In order to achieve and strictly champion the popular masses' independence, it is necessary to formulate all lines and policies in such a manner as to reflect the masses' desire for independence and carry them out in reliance on the efforts of the masses.

The popular masses' desire for independence is the criterion for judging the correctness of lines and policies. The only way to avoid subjectivism and tortuous events in the revolution and construction is to mix with the masses and listen to what they want. The masses are teachers of everything. The masses' desire for independence, when integrated into a system, will become ideas, lines and policies. When formulating its lines and policies, the working-class party must always go among the masses and listen to their desires. In doing their work, officials must also begin by listening to the masses' desires, even in complex and difficult circumstances, our party has been able to establish the best socialist system and develop it continuously, because it has laid down its lines and policies by going among the masses. It is also because it reflected the masses' desire for independence in its policies and carried these out by relying on their efforts. This is the secret of the triumphant advance of socialism in our country, an advance which has been made along an absolutely scientific path, without the slightest deviation or setback.

In order to realize and champion independence for the popular masses, we must steadfastly safeguard the independence of the country and nation.

Our party's consistent revolutionary principle is to achieve independence in politics, self-sufficiency in the economy and self- reliance in national defence. Our party and our people have treasured the independence of the country and nation. They have thoroughly implemented the revolutionary principle of political independence, economic self-sufficiency and self-reliant national defence despite the pressure of the imperialists and dominationists. They have thus firmly safeguarded national sovereignty and dignity and continue to advance today under the uplifted banner of socialism, invariably adhering to their faith.

The imperialists now violently interfere in other countries' internal affairs and trample upon other nations' sovereignty. They try to justify these acts under the excuse of "defence of human rights". Human rights are unthinkable apart from the independence of countries and nations. Human rights can never be ensured for people who are dominated by foreign forces. Human rights are rights to independence which must be exercised by the people in the political, economic, ideological, cultural and all other spheres of social life. The "human rights" advertised by the imperialists are privileges of the rich, privileges to do anything on the strength of money. The imperialists do not recognize the right of unemployed people to work, or the right of orphans and uncared-for people to eat and survive as human rights. As they do not grant working people elementary rights to existence and as they pursue anti-popular policies and policies of racial and national discrimination and colonialism, the imperialists have no right to speak about human rights. The imperialists are the most heinous enemy of human rights. They violate the people's right to independence and interfere in the internal affairs of other countries on the pretext of "defending human rights". We will never tolerate any imperialist interference or arbitrariness aimed at infringing upon the sovereignty of our country and nation but will staunchly safeguard it.

The popular masses, as the masters of everything in society, should fulfil their role and responsibilities as such.

Only then can they defend their position and rights as [word indistinct] master of the revolution and construction are undertakings for the popular masses and make their own undertakings. They must be responsible for and must solve all problems arising in the revolution and construction through their own efforts.

In order to make the popular masses fulfil their responsibility and role as masters of everything in society, their consciousness as master should be enhanced to this end, priority should be given to ideological transformation and political work, over all other undertakings. This is an intrinsic requirement of socialist society, where the popular masses are the masters of state and society, the main driving force of social development [words indistinct] the high revolutionary enthusiasm and creative initiative of the masses, who are equipped with independent ideological consciousness and who are united rock-firm behind the party and the leader. It is only when all members of society are transformed in a communist way and their revolutionary zeal and creative initiative are boosted by giving priority to ideological transformation and political work, that they can press on with the revolution and construction and fully demonstrate the advantages of socialism. In socialist construction, therefore, efforts must always be concentrated on educating the masses of the people and on boosting their revolutionary enthusiasm and creativeness, [words indistinct] priority to ideological transformation and political work. There is no other master-stroke for propelling socialist construction than that of giving priority to ideological transformation and political work, in order to enhance the role of the masses. Trying to move a man by means of money contradicts the intrinsic nature of socialist society; the advantages of socialism cannot be demonstrated by that method. Such a capitalist method cannot enhance the people's revolutionary enthusiasm or creative initiative and, worse still, it may degenerate the socialist system itself and throw it into jeopardy. By giving definite priority to ideological transformation and political work, our party could dynamically advance the revolution and construction and display the advantage [words indistinct] The high revolutionary zeal and creative initiative of the popular masses, who are united firmly behind the party and the leader, is the source of the strength whereby our socialism centred on the masses can demonstrate its advantages and invincibility as the most scientific socialism.

In order to make the masses of the people fulfil their responsibility and role as the masters of everything in society, their creative strength should be cultivated. This is an important matter to which primary attention should always be given in the revolution and construction. As the popular masses create everything in society, the success of the revolution and construction depends on how to train the people into powerful beings. Training them into powerful beings means developing their creative ability along with their independent consciousness. In capitalist society, the popular masses' demand to boundlessly develop as independent and creative beings cannot be realized properly. The imperialists and capitalists need slaves who produce surplus value and follow them obediently, not independent and creative people who have been brought to their independent consciousness and who are developed in many ways. That is why they resort to every possible means and method to degrade working people into slaves of capital, degenerating them ideologically and deforming their creative ability. The popular masses' demand to develop into independent and creative beings can be fully realized only in socialist society. Our party has established the most superior socialist education system and a system under which the entire population studies. It is running these at the expense of the state and society, and is thus brilliantly carrying out the task of bringing up all members of society as full-fledged builders of socialism and communism. As a result, more people are pressing with socialist construction and they are solving every problem through their own efforts and wisdom under the banner of self-reliance even in an extremely difficult situation.

The masses of the people must enjoy a worthwhile and happy life as the masters of everything in society.

Material life occupies an important place in their worthwhile and happy life. It forms the basis of social life. As they are the masters of state and society in socialist society, the masses of the people should lead an affluent and civilized life. By stepping up economic construction, our party has consolidated and developed socialist economic system and built a powerful socialist and independent national economy. It has thereby laid solid foundations for satisfying the people's material life through our own efforts. The potential of the independent national economy we have built up through self-reliance and fortitude is quite enormous; it is a valuable asset for providing a sound and stable material life for everyone. We must continuously invest great effort into the construction of the socialist economy, in order to further strengthen the country's economic power and steadily improve our people's standard of material life according to socialist demands.

What is essential for the masses in their worthwhile, happy life is to lead a dignified life, while adding lustre to their sociopolitical integrity and enjoying the love and trust of the social communist [word indistinct] naturally, the people need to live such a life, but this is impossible in the exploiter society. The exploitation and oppression of man by man is incompatible with love for and trust in the people; there cannot be genuine love and trust between the exploiter and the exploited. In capitalist society the personal value of man has been converted into an exchange value and is appraised by means of money and wealth. Here, love for and trust in the masses is inconceivable. The bourgeois reactionaries' advocacy of love which transcends the classes is a crafty act to disguise the reactionary nature of the capitalist exploiter society and to gloss over class antagonisms. The preceding theory of the working class laid bare the reactionary nature of the hypocritical superclass love advocated by the bourgeois reactionaries. It made clear that, in class society, love also assumes a class character. The fact that love assumes a class character does not mean that love and trust can be exchanged only between people of identical social and class status. The relationship of love and trust between people can be established between those who, despite the difference in their social and class status, fight together to defend the independence of the popular masses and who carry out creative activities together.

When the socialist system is established, class antagonism is eliminated and relationships between people are transformed from those of antagonism and mistrust into those of love and trust. In socialist society, love and trust flourish in the social community and between its members and among the individuals in society; they are demonstrated in the most sublime form between the leader and his men. When all members of society proudly maintain their sociopolitical integrity with the result that the leader and his men, and the party and the people are all tied by love and trust and the whole of society has been transformed into a sociopolitical organism, their life is the most worthwhile and beautiful life. The society that has realized this is a most solid and dynamic society.

Socialism centred on the masses fully embodies comradely unity and cooperation and the relationship of love and trust in all spheres of social life. It transforms politics into politics of love and trust. Love and trust constitute the essence of politics in socialist society, where the masses of the people have been transformed from objects of politics to the masters of politics. We call the politics of love and trust benevolent politics. Although the imperialists embellish bourgeois politics and sling mud at socialist politics, advertizing "multiparty system" and "parliamentary democracy", black cannot be made white. Bourgeois politics, as a plutocracy, are harsh and crafty politics of oppression and plunder.

In order to realize genuinely benevolent politics in socialist society, a political leader who unfailingly loves the people must come forward. A political leader of socialism should be a master in leadership but, first of all, he must be a man of virtue who loves the people boundlessly. This is simply because socialist politics is, in essence, benevolent politics. An incompetent political leader of socialism may bring about a delay in the development of socialist society, but one who has no virtue may betray the people and even lead socialism to ruin.

If politics of love and trust is to be exercised in socialist society, the socialist party in power must be built into a motherly party.

The working-class party is the leading political organization of society; accordingly, how the state organs and all the organizations in socialist society serve the people relates to how the party is built. Building the party as a motherly party is a prerequisite for making state organs and all other organizations in socialist society into servants of the people. Building the party as a motherly party means that the party should become a genuine guide and defender of the people, which takes meticulous care of the destiny of the popular masses under its charge, [words indistinct] them warmly. In the past, the party was regarded mainly as a weapon in the class struggle. The working-class party should naturally wage class struggle; however, all party activities must, to all intents and purposes, proceed from a boundless love for and trust in the people. It must give priority to defending the people's interests and it must fight against those who violate their interests. Not a few parties lost the support and trust of the masses [words indistinct] they were not built as motherly parties which take warm care of the destiny of the people under their charge, but degenerated into bureaucratic parties which wielded power and abused their authority.

If the socialist ruling party is to be built as a motherly party, all cadres and party members should be educated in the spirit of boundless love and sincere service for the people.

In order to sincerely serve the people, one must first think of the people before oneself and regard the pleasure and pain of the people as one's own. Loyal service to the people is a communist's sacred duty. Herein lies the true value of communist's life. A man who works for the revolution enters the working-class party not for his self-interest, fame or authority, but to serve the people more faithfully. Those who undergo hardship before anybody else, and delay enjoyment, and who take charge of difficult tasks on their own, while giving credit for success to others—they are the true communists and members of the working- class party. In order to bring up those party members, ideological education should be intensified among them so that they serve the people devotedly.

It is important while building the socialist ruling party as a motherly party to thoroughly transform the cadres in a revolutionary fashion and to actively struggle against the abuse of power, bureaucracy, irregularities and corruption among them, which are the main factors that obstruct the implementation of benevolent politics in socialist society. Socialism is opposed to all privileges. With the establishment of the socialist system, the privileged class disappears. As long as the people possess state power and the means of production, a new privileged class cannot come into being in socialist society. But if a struggle is not waged against the abuse of power, bureaucracy, irregularities and corruption in socialist society, some ill-prepared cadres can deteriorate ideologically and become divorced from the masses, and thus grow into a privileged quarters. However good the policies pursued by the party and state may be, they cannot be carried out properly if the cadres resort to abuse of power and to bureaucracy, because all policies of the party and state are implemented through the cadres. If the cadres exercise privileged power, act bureaucratically and indulge in irregularities and corruption, the socialist party in power will lose the support and confidence of the masses and, without their support, the party cannot maintain its existence. The historical lesson shows that it is tantamount to digging its own grave for the socialist ruling party to tolerate the abuse of power, bureaucracy, irregularities or corruption among the cadres.

Our party saw through the danger of the deviations that could manifest themselves in a ruling party early on, and it has tirelessly struggled against them. Under the party's slogan, "We serve the people ", our cadres are now faithfully serving the people as their servants. But we cannot in the least neglect struggle against the abuse of power, bureaucracy, irregularities and corruption, because they are rooted in the vestiges of outdated ideas, and because the imperialists continue their schemes of ideological and cultural infiltration in order to implant anachronistic ideas in our country. We should continue to vigorously wage educational work and an ideological struggle among cadres to root out these deviations.

Our party's politics is characterized by love and trust and is benevolent politics. It constitutes the basic factor that defines the advantages and invincibility of our socialism.

Thanks to the benevolent politics of the party and the leader, our people enjoy a most worthwhile and dignified life. Their noble sociopolitical integrity is enhanced under our own style of socialist system, which is centred on the popular masses. It is a true feature of our society that all its members form a large harmonious family. They trust, love and help each other, and enjoy a worthwhile and happy life together.

In our country, everyone regards and supports the leader as they would their own father. They trust and follow the party, regarding its embrace as that of their own mother. The leader, the party and the people form one sociopolitical organism, and share the same destiny. The whole of society overflows with communist morality. For instance, one devotes one's own life without hesitation to save one's revolutionary comrade from danger, and young men and women become life companions of honourably disabled soldiers and take warm care of orphans and old people without support, as they would their own relations. This is a proud result of the [word indistinct] politics of our party.

The vitality of the benevolent politics of the party finds expression not only in our people's noble spiritual and moral traits, but also in their upright and equitable material and cultural life, which improves as the days go by. All our people are free from worries about food, clothing and housing. They continue to learn throughout their life and enjoy long lives in good health, thanks to free and compulsory education and free medical care. In our country, the state provides stable jobs for all able-bodied working people. It looks after the whole population under its responsibility and even takes warm care of those who have temporarily lost the ability to work, those without this ability and old people without support. Aged revolutionaries and war veterans, [words indistinct] disabled soldiers and meritorious people enjoy their worthwhile life under the state's care, held in the people's high esteem and love.

The younger generation is basking in the great benefits of the party's benevolent politics. They are successors to the revolution, and the future of our country and nation. The future of the revolution and the destiny of the country and nation depend on how they are brought up. Therefore, their upbringing cannot be the responsibility of their parents alone. In capitalist society, where the future of the younger generation depends on their parents' purse, they cannot avoid falling victim to social inequality and social evils. Due to the aggression and intervention of the imperialists and the plunder of the exploiter class, many of the young generation throughout the world lose their lives or are maimed by war, social conflict, disease and hunger or they wander about the streets, committing crimes and degenerating. By contrast, in our socialist society with its benevolent politics, the state brings up all the younger generation. Our party and state accord them the warmest love and solicitude. In our country, they study to their heart's content under the best 11-year universal compulsory education system, and are supplied with school uniforms and school things by the state. Thanks to the warmest love and care of the party and the leader, the state and society, our young generation is growing up happily with nothing more to desire.

All the popular policies enforced in our country today prove the superiority of our own style of socialist system, which is centred on popular masses. These policies emanate from the noble love of the party and the leader for the people. Benevolent politics is a traditional [word indistinct] of politics; its historical root had already been created by the great leader Comrade Kim Il-song in the days of the anti-Japanese revolution and was further deepened and developed by him as the revolution and construction advanced.

The respected leader Comrade Kim Il-song was the benevolent father of our people, who cherished the warmest [word indistinct] for them. Under the motto, "The people are my god", which he adopted when he was young, Comrade Kim Il-song mixed with people, shared weal and woe with them and devoted his all for them, throughout his life. Because it held respected Comrade Kim Il-song, who was endowed with the lofty virtue of boundless love for the people, as its leader, our country could record a brilliant history of genuine politics for the people, benevolent politics.

Our party [words indistinct] forward the brilliant tradition of benevolent politics established by the great leader Comrade Kim Il- song. Our party's benevolent politics is politics of extensive love and trust; the party loves and trusts people from all areas of society, without discrimination. In this sense, we call our party's benevolent politics all-embracing politics. It is politics of invariable love and trust. Our party is responsible for everyone's sociopolitical integrity and guides this. Even when a man has committed an error, our party does not put him in the cold but re- educates him, to lead him onto the right track. It shows constant care for him, so that he will exalt his sociopolitical integrity to the last.

The lofty love and trust shown by the party and the leader for the people have produced unfailing loyalty to the party and the leader from the people. Our people have been well-known since olden times as a diligent and courageous people with a strong sense of justice, a noble sense of obligation and a high sense of decorum. Our people's fine traits now flourish and develop in every resident based on new spiritual and moral qualities. Our people are deeply grateful to the party and the leader for their benevolent politics and work heart and soul to repay the [word indistinct] with loyalty. Our people's loyalty to the great leader Comrade Kim Il- song is shown on a noble plane today, [word indistinct] they suddenly lost their fatherly leader. It is our people's unshakable will to loyally uphold respected Comrade Kim Il-song forever as the leader of our party and revolution. Under the leadership of the party, our people are working with redoubled efforts to win fresh victories, true [word indistinct] of their fatherly leader Comrade Kim Il-song. No other people are equipped with such noble spiritual and moral qualities as ours. They are unfailingly loyal to the party and the leader, and work devotedly for their country, society and the collective. We take great pride in having such excellent people [words indistinct] our party to have trained ours into such an excellent people is its great achievement and a brilliant victory for its benevolent politics.

Our party's benevolent politics is the source of the single-hearted unity of the leader, the party and the people. The single- hearted unity of the leader, party and people, based on love and loyalty, is the most solid unity, and our own style of socialism rooted in this single-hearted unity is ever-victorious.

People throughout the world express their great admiration for our socialism, saying that it is the most ideal socialism. This is because our socialism is genuine socialism centred on the popular masses, which fully applies the principles of love for and trust in the people.

The reason why our style of socialism, centred on the popular masses, is an invincible socialism which enjoys their full support and trust is that the popular masses maintain their position and exercise their rights as the masters of the state and society, discharge their responsibilities and play their role as the masters and lead a worthwhile and happy life as such.

Our party will invariably and fully pursue genuine politics for the people, benevolent politics which regards the popular masses, the masters of everything in society, as supreme beings and bestows everlasting love and trust on them. Our party and people are faced with the heavy yet honourable task of carrying forward and consummating through generations the socialist cause of chuche which was initiated [words indistinct] Comrade Kim Il-song. As it has always won victories in the past [words indistinct] lying on the people, so too in the future, will our party accomplish the socialist cause of chuche by believing in and relying on them.

Man-centred socialism, socialism centred on the popular masses, is absolutely scientific, and the most advantageous and powerful socialism. For its scientific accuracy and truth, socialism is sure to be victorious.

Kim Chong-il's Thesis Lauded

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[NODONG SINMUN 5 November editorial: "Let Us Firmly Arm Ourselves With Our Party's Great Chuche Socialist Ideology"]

[FBIS Translated Text] The dear leader Comrade Kim Chong-il published his historic work "Socialism Is Science" in NODONG SINMUN, the party organ of the Central Committee of the Workers Party of Korea. The greatness and truthfulness of the ideological theory of the work provides thorough explanations for the impending theoretical and practical questions raised by revolutionary practices of our times. Its has firmly grasped the hearts of the people at home and abroad and is stimulating great repercussions among them.

Upon reading the great work, all the party members and working people are filled with the great pride of upholding the great leader [widaehan yongdoja], who enlightened the future of the socialism of our times with scientific and chuche-based ideological theory, and wisely led our revolution.

The important ideology consistently shown in the immortal classical work "Socialism Is Science" is to smash [chitpusigo] the maneuvers of the imperialists and opportunists, who slander and distort the socialist ideology, and firmly defend the honor and dignity of socialism by elucidating the scientific accuracy and truthfulness of the socialist ideology.

The dear leader Comrade Kim Chong-il pointed out: Socialism is temporarily suffering from painful turns and twists owing to opportunism, but it will revive and eventually win for its scientific accuracy and truthfulness.

Socialism is science and the ideology of the popular masses. Nothing can defame it. Even though socialism has been hindered in some countries in the world and replaced by capitalism, socialism still lives in the hearts of the people and is showing a great leading power. This notwithstanding, the imperialists and reactionaries are waging vicious maneuvers to break the people's faith in and aspiration toward socialism, while raving about the end of socialism. In particular, the traitors of socialism are feverish in antisocialist propaganda to defend their ugly treachery and block the revival of socialism, while raving that the theory of socialism itself is mistaken.

The reality demands us to smash all antirevolutionary sophism of the enemies and give people the faith in victory and the mighty ideological and theoretical weapon of the revival of socialism by thoroughly proving the scientific accuracy and truthfulness of socialism.

Based on his scientific insight of the impending questions raised by contemporary socialist movement, the dear Comrade Kim Chong-il clearly elucidated in the work the truthfulness, invincibility, and immortality of socialism with his extraordinary wisdom and iron theory. The work wholly and deeply analyzed and systemized the socialist ideology as a science, which cannot be concealed nor be obliterated [malsal]. The work is an encouraging banner that unfolded the brilliant future of socialism, and a programmatic document to be firmly adhered to by the revolutionary party and people of our times in their socialist movement.

The historic work "Socialism Is Science" is a great program of contemporary socialism that wholly developed, enriched, and completed on a higher stage the ideology and theory of the chuche- based socialism founded by the respected and beloved Comrade Kim Il-song. The chuche idea is a leading guidance that most accurately solves all the theoretical and practical questions raised by the times and revolution. The correctness and truthfulness of the chuche idea was clearly proven through revolutionary practices. The standard for exploring its truthfulness and scientific accuracy lies in developing all the ideologies based on the chuche idea.

The whole context and contents of the work released by the dear comrade leader have a thorough consistency based on the great chuche idea. Based on the great chuche idea, the dear comrade leader wholly adduced the correctness, superiority, and invincibility of the socialist cause, and clearly elucidated the road to the eventual victory of socialism. In the work, all the theoretical and practical questions of contemporary socialist movement—from the correct understanding of the previous theories of socialism to the question of embodying people-oriented politics—are explained and systemized in a manner centered by the people, the popular masses.

Therefore, the work is becoming an immortal series, which wholly developed, enriched, and completed the chuche socialist ideology, and a monumental work, which made great contributions in strengthening and developing the international socialist movement.

The dear leader Comrade Kim Chong-il's historic work, "Socialism Is Science," has great theoretical and practical significance in carrying out the socialist cause of our era and in our people's revolutionary struggle. Most of all, the work is a great encouraging guideline embracing the revoiutionary people of our era with the firm faith in socialism.

Socialist cause is advanced and completed according to the struggle by the people armed with socialist ideology. As shown in the historic experience of the communist movement, if the people do not make socialist ideology as their faith, they cannot correctly distinguish antisocialist maneuvers of the imperialists and reactionaries and cannot prevent the infiltration of capitalist ideology. Thus, they will lose socialism obtained through blood.

In the work, it flawlessly elucidates the scientific accuracy and correctness of socialist ideology as an absolute truth. The work is based on collectivism coinciding with man's intrinsic nature; chuche-oriented viewpoint and position on social man; and chuche- oriented viewpoint and position on the popular masses, the main force of history. It has the most thorough socialist scientific accuracy which cannot be denied with anything, and has absolute superiority and might of invincibility.

The scientific accuracy and correctness of socialist ideology is vigorously demonstrated according to the dear comrade leader. Therefore, it was possible for the broad popular masses to vigorously advance toward the socialist road in any kind of antisocialist violent wind. As long as there is the dear comrade leader's scientific socialist ideology, who embraces a rock firm faith in socialism, socialism will manifest eternal vitality and man will achieve ultimately victory in socialism from a worldwide range.

The work is also a precious guideline in which it makes the working class party and state resolutely defend and adhere to socialism, and vigorously carry out the struggle to highly manifest its superiority. Socialism is the people's life and living. The miserable situation of the countries in which recently socialism was frustrated and capitalism was restored, eloquently proves to the people that if socialism is defended it is victory, but if socialism is abandoned, it is death.

When socialism is resolutely defended and adhered to and the superiority of socialism is highly manifested, the infinite prosperity of the country and nation and the people's endless happiness are guaranteed.

The work is a mighty weapon making it possible to strengthen the might of socialism and wholly manifesting its essential superiority. Here, all theoretical and practical issues—from the issue of strengthening the main force of the revolution and enhancing its role to strengthening the country's economic might and carrying out the politics of love and faith—in highly manifesting the superiority of socialism are scientifically elucidated.

In particular, the ideology and theory that the socialist ruling party must be built as the mother party are wholly elucidated. This has great significance in building and developing a superior and solid socialism. According to this theory, it was clearly elucidated on where this important secret is in building the most solid party and socialism. Therefore, it became possible for all the parties and communists carrying out the revolution to adhere to the ideology and theory as presented in the work, and vigorously carry out the struggle to build socialism overflowing with the faith of victory.

The work also gives a serious blow to the maneuvers of the imperialists and socialist traitors spreading all kinds of sophistry to distort and annihilate the socialist ideology. It is also a historic document declaring its destruction.

Socialism is an ideology of the popular masses struggling for independence, and it is an inevitable stage in historic development. The reason that socialism collapsed in various countries is not a socialist failure as a past, but signifies the failure of opportunism which deteriorated socialism.

Today, the imperialists and their cat's paw are babbling about the end of socialism and are slandering socialism. This is nothing but a preposterous sophistry to hide their reactionary character and ugly treacherous acts.

In the work, it clearly elucidates that theories such as multi- party system, parliamentary democracy, advocating human rights, and materialism which the imperialists and social traitors are babbling about, hide the reactionary character of capitalism, and that it is a reactionary ideology and theory to deceive the people. Amid today's situation, in which the imperialists are indulging in bravado and bluster, the ideology and theory that acutely analyzed the reactionary spirit of the ideology and theory of the imperialists and socialist traitors with the revolutionary principle and thorough working class spirit, is only our party's ideology and theory.

The reactionary and antipopular nature in various sophisms of the imperialists and their stooges has been fully exposed by our party. As a result, the revolutionary people were able to courageously confront and fight against the imperialists and reactionaries, not being cheated by their deceitful tactics.

Indeed, the recently published immortal work is a great program of socialism which comprehensively developed and enriched the idea of scientific socialism into a new higher stage. This work is a mighty weapon which inspires faith in sure victory and courage to the parties and peoples who are struggling to carry to accomplishment the cause of mankind for independence and which gives a hard blow to the enemies of socialism.

The immortal classical work "Socialism Is Science," which comprehensively systematized and embodied the chuche-oriented scientific socialist ideas and theories, is a precious fruition of uncommon ideological and theoretical wisdom and energetic ideological and theoretical activities of the dear leader Comrade Kim Chong-il, the most outstanding thinker and theoretician in our era.

The revolutionary theory of the working class is to be constantly deepened and developed by the great leader [yongdoja] who leads the time.

It is not always true that even if one leads the revolution, one can expound the most rightful direction and methods of the struggle to the popular masses and can make immortal achievements in the development of history of mankind's ideology.

The dear Comrade Kim Chong-il, who has uncommon ideological and theoretical wisdom from his early days, carried out energetic ideological and theoretical activities consistently based on the demand of revolutionary practice. During these days, he put forward numerous unique creative ideas and theories that serve as the guideline for revolution and construction in our era. Thus, he made great achievements in enriching the treasure box of history of mankind's ideology.

The current immortal work is a summation of the great ideological and theoretical achievements made by the dear comrade leader and is the highest quintessence in the development of socialist ideas.

It is the greatest happiness and honor for our people to uphold the dear leader Comrade Kim Chong-il, who illuminates the road for the revolution in our era to advance, at the van of our party and revolution.

Today our people are faced with a heavy yet glorious task to firmly grasp the ideas and theories elucidated by the dear leader Comrade Kim Chong-il in his work and to carry to accomplishment generation after generation the chuche revolutionary cause pioneered by the respected leader [suryong].

The dear leader Comrade Kim Chong-il has indicated: Today our party and people are faced with a heavy yet glorious task to inherit and accomplish over generations the chuche socialist cause pioneered and led by the great leader Comrade Kim Il-song.

Upholding the leadership of the dear leader Comrade Kim Chong-il and victoriously advancing the socialist cause along the road indicated by his immortal work are the struggle to carry to accomplishment the chuche revolutionary cause pioneered by the Paektu forest and are the struggle to responsibly carry out the important mission assigned to our party and people by the time and history.

We should, above all, keenly study ideas and theories contained in the immortal work published by the dear comrade leader. Following the leadership of dear comrade leader, our people should tenaciously defend, protect and carry to accomplishment most superior socialism of our own style put forward by the great leader [suryong]. It is very important work for our people to keenly study the current work and to firmly arm ourselves with it.

The current work contains the iron-clad resolution and will of the dear comrade leader to grasp the chuche idea—the revolutionary idea of the respected leader Comrade Kim Il-song—as the eternal guiding idea of our era and to carry to accomplishment the socialist cause.

By publishing the work, which fully reflects unswerving loyalty to the idea and cause of the leader [suryong], the dear comrade leader demonstrated a brilliant example as to how one should deepen, develop, and embody the revolutionary ideas of the leader [suryong] who pioneered the revolutionary road for the first time.

Through study of the work, we should be more keenly aware of the great traits of the dear comrade leader, who is embodying the great pride as the people blessed with the leader over generations, as well as loyalty to the leader [suryong], at the highest stage. We should consolidate our resolution to carry to accomplishment socialism of our own style by following the leadership of the party.

We should keenly study the ideas and theories contained in the work by fully understanding every word and every phrase, and should make them our own blood and flesh.

Party organizations at all levels should vigorously carry out organizational and political work to deepen the study of the work in conformity with enhanced zeal of functionaries, party members and workers who received the work.

Our party's chuche-oriented socialist idea is a most scientific and revolutionary idea. Destiny and future of our nation and revolution are dependent upon defending and glorifying this idea.

Assuming our party's chuche-oriented idea of socialism as our faith, we should struggle for socialism to the end.

By keenly realizing the reactionary and preposterous nature in various antisocialist sophisms by the imperialists and renegades of socialism, we should sweep them away with chuche-oriented socialist idea, and should become fighters who unswervingly defend and protect our party's ideas and theories under any circumstances.

It is an important work we should grasp in the struggle to carry to accomplishment the immortal work to highly demonstrate the superiority of socialism of our own style by accelerating socialist economic construction.

Socialism of our own style is most solid and superior socialism pioneered and built on the basis of the chuche idea created by the respected leader Comrade Kim Il-song.

All party members and workers should look at the reality of socialism of our own style in comparison with the miserable situation in the nations where capitalism was restored, and should keenly realize how proud and happy life we are enjoying. Thus, they should devote everything to glorify the grateful [komaun] socialist system.

The most important task facing our party and people today in the socialist economic construction is to thoroughly implement the decisions of the 21st Plenary Meeting of the Sixth Party Central Committee.

By upholding the respected leader's lifetime teaching, we should thoroughly implement the party's agriculture-first; light industry- first, and trade-first policy, and should effect a new upsurge in the development of coal industry, electric power industry, railway transport and metallurgical industry. Thus, we should consolidate the foundation of the self-reliant national economy and drastically enhance the people's living standard.

We should successfully resolve the issue of economic construction and of the people's living, according to the intent of the dear leader Comrade Kim Chong-il, and should more vigorously demonstrate the superiority of socialism of our own style in which chuche-oriented socialist ideas and theories are embodied.

Functionaries should sincerely serve the people with chuche-oriented position and traits toward the people. This is the important spirit contained in the work and is a demand for fully demonstrating the superiority of socialism of our own style.

All functionaries should sincerely serve the people as the servants of the people by upholding the party's slogan "We serve the people!" Thus, they should more firmly consolidate the singlehearted unity of our society where great benevolent politics is embodied.

The honor and happiness of our people in receiving the immortal classical work published by the dear leader Comrade Kim Chong-il are incomparably great and our people's faith and will to carry to accomplishment the chuche socialist cause to the end by following the refined leadership of the great leader [yongdoja] are firm and unswerving.

The chuche socialist cause of the people who are vigorously advancing with the most correct ideas and theories of socialist construction by highly upholding the great leader [yongdoja] is ever-victorious and invincible. The future of our people is endlessly brilliant and glorious.

Let us all more vigorously advance in firm unity with the dear leader Comrade Kim Chong-il by following the banner of the chuche idea. Thus, let us carry to accomplishment the cause of popular mass-centered socialism of our own style.

Important 'Historic Work' Praised

SK0511103394 Pyongyang KCNA in English 1016 GMT 5 Nov 94

["Highly important guideline fully indicating way of victory of socialism"—KCNA headline]

[FBIS Transcribed Text] Pyongyang, November 5 (KCNA)—The dear leader Comrade Kim Chong-il published the historic work "Socialism Is Science" in NODONG SINMUN, the organ of the Central Committee of the Workers' Party of Korea.

In this connection, papers here today carry editorials stressing that the historic work of Comrade Kim Chong-il is a complete revolutionary doctrine of socialism and its immortal encyclopedia.

The editorial of NODONG SINMUN says that the work has won the hearts of the people at home and abroad and evoked widespread repercussions upon them for the greatness and truth of its idea and theory.

It further says:

The important idea running through the famous work is to smash the moves of the imperialists and opportunists slandering and distorting the idea of socialism and firmly defend the honour and dignity of socialism by proving the scientific accuracy and truth of the idea of socialism.

In the work Comrade Kim Chong-il declares that although socialism has temporarily gone through painful turns and twists due to opportunism, it is sure to revive and finally win for its scientific accuracy and truth.

Although socialism has collapsed and capitalism has revived in some countries, it still remains alive in the hearts of the people and is displaying its enormous attraction. Nevertheless, the imperialists and reactionaries are vociferating about the "end of socialism" in malicious attempts to destroy the conviction and desire of people for socialism. Notably, the renegades of socialism are getting overheated in anti-socialist propaganda, contending that the idea of socialism itself is mistaken, to defend their despicable perfidy and bar the revival of socialism.

The reality makes it urgent to refute the counterrevolutionary sophistries of the enemies and give to the people the conviction of victory and a powerful ideological and theoretical weapon for the revival of socialism by fully proving the scientific accuracy and truth of socialism.

Dear Comrade Kim Chong-il, on the basis of his scientifical penetration into these pressing issues raised by the socialist movement of the present era, clearly indicated the truth, invincibility and eternity of socialism in the work with his unusual wisdom and philosophic logic.

The whole system and content of the work is run through with the great chuche idea.

The dear leader fully proved the validity, advantages, and invincibility of the cause of socialism on the basis of the great chuche idea. In the work all the theoretical and practical problems arising in the socialist movement of our era are solved and systematized with man, the popular masses, in the center.

The historical work of Comrade Kim Chong-il instills unshakable conviction of socialism into the minds of the revolutionary people of our times, enables the parties and the states of the working- class to vigorously fight to staunchly defend socialism and give full play to its advantages and deals a heavy blow to the imperialists and the renegades of socialism who are letting out a long string of hokum to distort and stifle the socialist ideology.

With reactionary and anti-popular nature of all the sophism of the imperialists and their stooges dragged into the light of day by the Workers' Party of Korea, the revolutionary people have become able to daringly fight against the imperialists and reactionaries, not being hoodwinked by their deception.

The famous work "Socialism Is Science" is a precious fruition of the rare ideological and theoretical wisdom and energetic ideological and theoretical activities of the dear leader Comrade Kim Chong-il, the most outstanding thinker and theoretician of our times.

The editorial of MINJU CHOSON says:

It is a historical feat performed by the dear leader Comrade Kim Chong-il for the human cause of socialism that he published the work at a time when it stood out as an important demand to prove the scientific accuracy and truth of socialism theoretically and practically. This is an immortal feat that can be performed only by an outstanding thinker and theoretician, a great leader, who lights the path of the cause of socialism with his extraordinary wisdom, creative thinking and energetic quest.

Implementing of Party's Economic Strategy Urged

SK0511064594 Pyongyang NODONG SINMUN in Korean 28 Sep 94 p 1

[Editorial: "Let Us Highly Display the Revolutionary Spirit of Self-Reliance To Thoroughly Implement the Party's Revolutionary Economic Strategy"]

[FBIS Translated Text] All people across the country are now vigorously waging the struggle to implement the party's revolutionary economic strategy in hearty response to the respected and beloved leader Comrade Kim Il-song's will. Our officials, party members, and workers must more highly display the revolutionary spirit of self-reliance to achieve a brilliant victory and achievements in this worthwhile struggle.

The great leader Comrade Kim Il-song has taught:

"We must more highly display the revolutionary spirit of self-reliance and arduous struggle and, thus, break through the difficulties and score new upsurges in socialist construction."

Self-reliance is a traditional revolutionary spirit that our people have consistently adhered to throughout the long and arduous revolutionary struggle.

Since he embarked on the revolutionary road, the great leader Comrade Kim Il-song highly upheld the revolutionary banner of chuche, successfully cultivated the Korean revolution, stated that self-reliance was the only means for the communists to win a victory, and led our people to the road of self-reliance. Because there was the revolutionary spirit of self-reliance and arduous struggle, which the great leader instilled, our people could break through all difficulties on the road of their march, win every battle, and build a chuche-oriented powerful socialist country—brilliant with independence, self-sufficiency, and self-reliant defense—on this land after the war, which other people said it was impossible to do in 100 years.

During those historic days, our people had come to believe that only self-reliance was the way for their existence and the way for a socialist victory. Only when we march forward under the revolutionary banner of self-reliance and arduous struggle, a banner that was raised on the sacred Mt. Paektu, can we score endless upsurges in socialist construction, resolutely maintain the leader's [suryong] leadership achievements, and endlessly glorify them.

Thoroughly implementing the party's revolutionary strategy by highly displaying the revolutionary spirit of self-reliance is a key requirement for brilliantly implementing the respected and beloved leader Comrade Kim Il-song's will.

In this year's New Year speech and various other teachings, the great leader kindly taught the entire party, the entire country, and all the people that they must highly display the revolutionary spirit of self-reliance to thoroughly implement the party's revolutionary strategy. They contain the noble will of the respected and beloved leader, who made efforts to consolidate the basis of our country's self-reliant national economy rock-solid and make our people's happy lives more prosperous. We must score revolutionary upsurges in the struggle to implement the party's revolutionary strategy in hearty response to the great leader's will and teaching. Toward that end, we must more highly display the revolutionary spirit of self-reliance and arduous struggle in all fields of socialist construction.

The revolutionary spirit of self-reliance and arduous struggle is an indomitable struggle spirit that makes it possible to create something out of nothing and turn misfortune into blessings and a heroic struggle spirit that makes it possible to display national dignity in any environment. When we highly display this spirit, we will be able to overcome any difficulty and conquer any fortress. A key to scoring new upsurges in light industry, agriculture, and trade lies in displaying the revolutionary spirit of self-reliance, and an important key for giving top priority to railway transportation and greatly increasing the production of electricity, coal, and steel products lies in highly displaying the banner of self-reliance.

Let us thoroughly implement the party's revolutionary economic strategy with the revolutionary spirit of self-reliance and arduous struggle! This is a militant slogan that our people must uphold in their struggle to implement the respected and beloved leader's will. All officials, party members, and workers must more highly display the revolutionary spirit of self-reliance and arduous struggle, create new miracles and feats in all fronts of socialist construction and, thus, brilliantly implement their resolve—which they made before the fatherly leader's altar—and display all over the world the heroic spirits of our people who are continuously making innovations and advancements after single-mindedly uniting around the dear leader Comrade Kim Chong-il.

We must, first of all, more strongly arm ourselves with the respected and beloved leader Comrade Kim Il-song's revolutionary idea, the chuche idea, and solve all problems in revolution and construction in our own style by relying on our own strength.

The revolutionary spirit of self-reliance is a revolutionary spirit that comes from the chuche-oriented world view. People who carry out the revolution must have the revolutionary position and view that they always carry out their revolutionary tasks on their own strength. People who are strongly armed with the chuche idea rely on their own strength and think it very worthwhile to break through any difficulties on their own.

All party members and workers must assume the attitude of masters in revolution and construction, firmly believing that they are the masters of their own destiny and that they have the power to accelerate the revolution in their country.

The struggle to implement our party's revolutionary economic strategy is the struggle to build prosperity in the country and make the people lead more abundant and civilized lives, and no one else but the people can wage this struggle. Our officials and workers must ponder over how they can mobilize and utilize the potential in their sector and unit in implementing the party's revolutionary economic strategy and persistently wage the struggle to adopt chuche-oriented production methods and technological processes. All of us must think and act only according to the ideological will of the chuche idea and make efforts to better use our own resources.

The party members and workers must also highly display the high revolutionary spirit and indomitable struggle spirit in the struggle to implement the party's revolutionary economic strategy.

The revolutionary spirit of self-reliance and arduous struggle is fundamentally based on an indomitable determination to believe the greatness of one's leader [suryong] and carry out the revolution to the end by following the party and the leader [suryong]. If one has a determination and will to implement the intention and ideas of one's leader [suryong] to the end, one can break through any difficulties and create something out of nothing.

In hearty response to the slogan of loyalty "What the party decides, we will do!", all party members and workers must have a high revolutionary spirit and popular heroism and thoroughly implement the leader's [suryongnim] will. Officials and workers in the fields of light industry, agriculture, and trade must cherish a sense of heavy responsibility deep in their hearts, break through difficulties on their own strength, and bring about momentous changes in improving the people's lives. Officials and workers in railway transportation, the power industry, the coal industry, and the metallurgical industry must not forget the fatherly leader's will even for a moment and must vigorously wage struggles with the spirit with which they recovered the economy and created the great chollima upswing on vacant land with their bare hands after the war. In this way they must achieve a breakthrough in the struggle to implement the party's revolutionary economic strategy.

In addition, our functionaries and working people should effect a new upsurge in the struggle to implement the party's revolutionary economic strategy by mobilizing and utilizing reserves to their maximum.

Strong is our self-reliant economic foundation prepared by our people in their ardent struggle under the wise leadership of the party and the leader [suryong]. We should always take great pride in it. We should always value the economic foundation that the respected and beloved leader [suryong] prepared with his own efforts without taking the slightest sleep or rest. By fully displaying the might of our economic foundation, we should successfully carry out the economic tasks assigned to us. By so doing, we should highly display today's true patriotism.

Reserves in production lie in the masses' ideology as well as in their hearts. Functionaries should seek their productive potential to implement the party's revolutionary economic strategy by inspiring the ideology of the masses, not by businesslike economics [kyongje silmujoguroga anira]. Also, they should make the work of increased production and economy [cholyak] their own. Functionaries in all sectors and in all units should go down among the masses, with their high degree of ideological resolution and extraordinary desire, to thoroughly implement the party's revolutionary economic strategy by upholding the respected and beloved leader's [suryong] will, and should organize organizational and political work to inspire them to increase production.

Functionaries in all units should fully mobilize and utilize local raw materials and productive potentials. As a result, they should further develop local industry and significantly enhance our people's standard of living. All party members and working people should vigorously carry out the struggle of increased production and economy on a mass scale, deeply bearing in their hearts that the economy is the way to implement the principle of self-reliance and fortitude. We should thoroughly eliminate our spendthrift habit [nangbi hyonsang] and actively economize every drop of oil, clump of coal, and watt of electricity.

Today, struggles to harvest rice are being vigorously carried out in all cooperative farms throughout the country. Working people and supporters in the agricultural sector should obtain a rich harvest in a timely manner, always upholding the respected and beloved leader's [suryong] intent during his lifetime, for he paid deep attention to agricultural development.

The important method for the maximum increased production and economy lies in technological innovation. All sectors and units in the national economy should seek more reserves and potential by vigorously raising the flame of technological innovation. They should actively apply the already-achieved and outstanding success and experience to their utilization of raw materials, fuel, and facilities.

It is important to enhance the party organizations' role in thoroughly implementing the party's revolutionary economic strategy, highly displaying the revolutionary spirit of self-reliance and fortitude.

Today, all party members and working people throughout the country are vigorously struggling to carry out, without fail, the revolutionary tasks assigned to them, cherishing deep in their hearts a firm faith that it will be good for the upper echelons to support us; however, we will get by with our own might, even if the former does not offer us support. Party organizations should more vigorously carry out organizational and political work in various forms and ways to implement the party's revolutionary economic strategy in conformity with the masses' revolutionary desire. Also, they should enable party members and working people to more actively struggle to implement the party's strategy, deeply bearing in their hearts that thoroughly implementing the revolutionary tasks assigned to them is the way to put into practice their pledge made before the bier of the fatherly leader and to be loyal and dutiful to the great leader [suryong].

The revolutionary spirit of self-reliance and fortitude that has been displayed from the days of the anti-Japanese struggle, through the stern period of war and the period of rehabilitation following the war, and up until the present is an important spiritual asset and foundation in carrying out the struggle to endlessly consummate the chuche revolutionary cause. With their revolutionary spirit of self-reliance and a faith in chuche deeply forged in their practical struggle—which has embarked upon the single road of victory and glory by overcoming folded difficulties—our people will uphold the dear leader Comrade Kim Chong-il with loyalty. In the course of this, they will forever glorify our own style of socialism as built by the great leader [suryong].

South Korea

IAEA Asked To Monitor North's Nuclear Freeze

SK0511031294 Seoul YONHAP in English 0307 GMT 5 Nov 94

[FBIS Transcribed Text] United Nations, Nov. 4 (YONHAP)—The UN Security Council [UNSC] unanimously adopted a council presidential statement Friday [4 November] asking the International Atomic Energy

Agency (IAEA) to take all necessary steps to monitor North Korea's promised nuclear freeze.

The statement, issued by U.S. Ambassador Madeleine Albright who is the current council president, "notes with satisfaction" the nuclear agreement signed by North Korea and the United States Oct. 21 "as a positive step in the direction of denuclearizing the Korean peninsula and maintaining peace and security in the region."

North Korea agreed to freeze its nuclear program in exchange for new reactors and better economic and political ties with the United States in the Oct. 21 framework accord.

"The council requests the IAEA to take all steps it may deem necessary as a consequence of the agreed framework to monitor the freeze," the statement reads.

The council called on the agency to continue reporting on the status of implementation and to verify North Korea's compliance with the IAEA safeguards agreement.

The statement "takes note" of North Korea's decisions to remain a party to the Nuclear Non-Proliferation Treaty (NPT) and to comply with the safeguards agreement.

UNSC Statement Adoption Welcomed

SK0511082094 Seoul YONHAP in English 0812 GMT 5 Nov 94

[FBIS Transcribed Text] Seoul, Nov. 5 (YONHAP)—The South Korean Foreign Ministry welcomed on Saturday the United Nations Security Council (UNSC)'s adoption of the presidential statement which called for the International Atomic Energy Agency (IAEA) to take all necessary steps to monitor North Korea's promised nuclear freeze.

The ministry said, "The government welcomes the presidential statement of the UNSC and rates the statement as a proper measure."

The statement, adopted on Friday, "noted with satisfaction" the nuclear agreement signed by North Korea and the United States Oct. 21 "as a positive step in the direction of denuclearizating the Korean peninsula and maintaining peace and security in the region."

The ministry considered the statement as an important measure in that the statement gave the IAEA additional authority for monitoring the nuclear freeze of North Korea, which had been agreed in the U.S.-North Korean agreement.

The ministry urged North Korea to faithfully implement the North Korean-U.S. agreement on the nuclear problem and resume the inter- Korean dialogue as well as implement the declaration of the denuclarization of the Korean peninsula as soon as possible.

North Korea agreed to freeze its nuclear program in exchange for new reactors and better economic and political ties with the United States in the Oct. 21 framework accord.

Secretary General Interviewed

SK0511141194 Seoul KBS-1 Television Network in Korean 1235 GMT 5 Nov 94

[FBIS Translated Text] The International Atomic Energy Agency [IAEA] will convene an extraordinary Board of Governors meeting next week in accordance with the resolution of the UN Security Council on North Korea. The IAEA will adopt either a resolution or statement of the president concerning the step for freezing the North Korean nuclear program, and will begin inspection activities for the nuclear freeze. Correspondent Cha Man-sun reports from Vienna.

[Begin recording] [Cha] Since the step for freezing nuclear facilities is not in accordance with the nuclear agreement, authorization from the UN Security Council and approval of Board of Governors are imperative.

Therefore, with the approval by the Board of Governors, the IAEA is expected to begin activities to freeze North Korea's nuclear facilities.

In a special interview by KBS, IAEA Secretary General Hans Blix assessed that North Korea's implementation of the nuclear agreement will make progress.

[Hans Blix, in English] We are already there since we are operating the Safeguard Accord. We have the right and duty to see all facilities whether they are operated or not. If they shut them off under the freeze, then our inspectors will register that.

[Cha] The IAEA plans to seal and freeze with surveillance cameras six nuclear facilities, including five-megawatt nuclear reactor and reprocessing facilities. After this step, the IAEA will keep inspectors stationed there permanently and continue verification work through regular inspection.

Secretary General Hans Blix wished, more than anything else, to have North Korea's past nuclear activities clarified as soon as possible.

With the freeze of North Korean nuclear facilities, the demand of inspectors for North Korea is expected to drastically increase. However, only 18 inspectors are allowed to enter North Korea at present. As a result, it is worried that a stumbling block would be laid in inspection activities in the future if North Korea does not cooperate. [end recording]

Seoul Seeks South-U.S. Chairmanship of KEDO

SK0711082794 Seoul YONHAP in English 0822 GMT 7 Nov 94

[FBIS Transcribed Text] Seoul, Nov. 7 (YONHAP)—South Korea wants joint chairmanship with the United

States to secure operational authority in the multinational organization that will be in charge of building reactors worth 4 billion U.S. dollars for North Korea, officials said Monday.

Seoul will convey this wish to U.S. Secretary of State Warren Christopher, who arrives on a three-day visit Tuesday, and the officials said Washington has already agreed in principle to the idea.

The United States is to represent the "Korea Energy Development Organization (KEDO)" and sign a contract with North Korea to build two light-water reactors.

The U.S. representation is due primarily to North Korea's aversion to any high visibility for South Korea, which will provide the reactor models and most of the financing.

The officials said that while Washington will serve as signatory, Seoul wants joint chairmanship in order to gain de facto operational control of KEDO.

"KEDO is actually an international loan committee. The ratio of burden-sharing is what will decide the degree of power in its operations," said a government official. "It's a matter of course that we have the decisive say in KEDO operations since we will put up more than half of the finances. This is why we are asking for joint chairmanship."

"The United States understands this," he added.

South Korea, Japan and the United States plan to hold tripartite consultations on KEDO's makeup around Nov. 20 and the final decision will be made then, the officials said.

Seoul, U.S., Japan Schedule Reactor Talks

SK0711024594 Seoul YONHAP in English 0239 GMT 7 Nov 94

[FBIS Transcribed Text] Seoul, Nov. 7 (YONHAP)—South Korea- Japan-U.S. consultations open this week on a project to provide new nuclear reactors for North Korea timed with American Ambassador-at- Large Robert Gallucci's visit to Seoul starting Tuesday.

Gallucci is accompanying Secretary of State Warren Christopher, who arrives here late Tuesday for a three-day visit. The ambassador, the chief U.S. nuclear negotiator with North Korea, will fly to Tokyo later for consultations with Japanese officials on the project.

In the first direct, high-level talks between Seoul and Washington since the Oct. 21 North Korea-U.S. nuclear agreement, the officials will discuss matters related to forming the Korea Energy Development Organization (KEDO) that will be in charge of the reactor project.

Christopher will hold a policy coordination session with Foreign Minister Han Sung-chu while in Seoul. Gallucci is to meet separately with Assistant Foreign Minister Choe Tong-chin, who will be heading South Korea's new inter-ministerial planning committee on the reactor project.

The committee begins formal operations on Tuesday.

Gallucci then heads for Tokyo to discuss Japan's share of the reactor project.

The three-way talks precede an expected North Korea-U.S. experts' meeting next week in Pyongyang to discuss what American officials see as the most urgent matter—the disposition of spent fuel rods that are being kept in a cooling pond.

The United States feels it must dispatch technical experts soon to North Korea for safe treatment of the rods to prevent radioactive hazards.

U.S. Official on Armistice, Troop Reduction

SK0511031694 Seoul YONHAP in English 0311 GMT 5 Nov 94

[FBIS Transcribed Text] Seoul, Nov. 5 (YONHAP)—Replacing the Korean Armistice Agreement with a peace treaty must be decided principally by South and North Korea, with the United States and China providing support, Winston Lord, assistant secretary of state for East Asia and Pacific affairs, said Friday [4 November].

In a satellite-hookup of the "World Net" program linked here through the U.S. Information Service, Lord reiterated Washington's stance that the peace treaty must be discussed between the two Koreas, not between North Korea and the United States as Pyongyang insists.

The Korean armistice was signed at the end of the 1950-53 Korean War. The United States signed on behalf of the UN forces that participated in the war with North Korea and China. South Korea refused to sign since the armistice would divide the country.

North Korea insists that the armistice should be replaced by a peace treaty between Pyongyang and Washington since Seoul is not a signatory.

There can be no scaleback of U.S. troops from South Korea as long as North Korea maintains massive forces near the demilitarized zone, Lord said. Any plans for a cut in American forces will be decided through consultations with the South Korean Government.

Government Discusses Postaccord Foreign Policy

SK0611113194 Seoul CHOSON ILBO in Korean 6 Nov 94 p 3

[Report by Hong Sok-chun: "Seminar at Institute of Foreign Affairs and National Security—Agony Regarding Foreign Policy 'After U.S.-DPRK Agreement'"]

[FBIS Translated Text] The government is taking pains in working out a new foreign policy with which it can positively cope with the diplomatic circumstances after the settlement of U.S.-DPRK nuclear negotiations.

On 5 November, Foreign Minister Han Sung-chu presided over a closed-door seminar on "Four Superpowers' Changes in Policies Toward the Korean Peninsula Since the U.S.-DPRK Agreement and ROK's Counterstrategy" held at the Institute of Foreign Affairs and National Security [IFANS]. The seminar was aimed at searching out public opinion on this situation.

Approximately 30 people, including Pak Suk-kil, director general of IFANS; Kong No-myong, ROK ambassador to Japan; Kim Sok-kyu, ROK ambassador to Russia; Hwang Pyong-tae, ROK ambassador to China, and professors of foreign affairs and the security field, attended the seminar.

It was learned, however, that unlike the original purpose of exploring the direction of new foreign policies, the seminar that day was filled with an atmosphere of concern about the result of the U.S.-DPRK nuclear negotiations and changes in the situation surrounding the Korean peninsula.

The participants expressed worries about the possibility of a "dual situation" [ijungjok sanghwang] developing on the Korean peninsula after the U.S.-DPRK agreement. Although the situation surrounding the Korean peninsula, including the improvement in U.S.-DPRK relations and Japan-DPRK relations, may advance toward peace, North-South relations are still in "a cold era." The participants discussed the issue of multilateral security cooperation as a means to lead the new diplomatic circumstance called crossrecognition of North and South Korea by the four superpowers. They also raised Russia's discontent with the ROK foreign policy and the issue of turning to a peace system as highlighted by Premier Li Peng's remarks.

ROK Ambassador to Russia Kim Sok-kyu said that "the Russian side is greatly dissatisfied with the fact that the ROK Government is treating Russia as an outsider of the diplomatic and security structure of the Korean peninsula," calling this to the people's attention. In other words, according to him, Russia has, in fact, severed relations with North Korea in military and diplomactic terms. However, our government, putting forward economic superiority, tends to ignore Russia.

ROK Ambassador to China Hwang Pyong-tae reportedly stressed "China is the center" of the new security environment. Reports say he mentioned the possibility that the weight of the power balance on the Korean peninsula will move toward China in the course of the establishment of U.S.-Japan diplomatic ties. Premier Li Peng's remarks on the need to convert to a peace system and on the principle of countries concerned—South and North Korea, China, and the United States—is interpreted as an indication of China's intention to play the "leading role" in the new order in Northeast Asia.

Professors who participated in the meeting assessed that the U.S.-North Korea agreement is advantageous for maintaining security on the Korean peninsula but is still unsatisfactory [mihup].

Choe Sang-yong, a professor of Koryo University pointed out: "The so-called 'North Korean style' resulting from the nuclear negotiations can be a bad model in resolving the nuclear issue." He is concerned about the possibility that "the U.S.-North Korea agreement will fool nonsignatories of the Nuclear Nonproliferation Treaty [NPT] and nonnuclear states into believing that an NPT signatory can be provided with economic and technological assistance, and can improve diplomatic relations with other signatories, even though it has repeatedly violated the treaty."

Pak Kyong-so, a professor of Chungang University, said: "The U.S. efforts to resolve the nuclear issue is preparatory work to pursue its own interest." He then added: "The ROK policy on the United States must be readjusted [chaejongnip] based on a pragmatic position [siryongjuuijok ipchang]."

Meanwhile, regarding ROK-China relations, An Pyong-chun, a Yonsei University professor, said "China is trying to expand its power onto the Korean peninsula, with a conception of the peninsula as a part of its policy toward the United States, Japan, and Russia," putting the focus on the initiative in ROK-China relations.

Ha Yong-chul, a professor of Seoul National University, mentioned relations between the ROK and Russia. Professor Ha stated in conclusion: "Russia's diplomatic policies are backward as they are unbalanced and inconsistent due to restrictions caused by the internal situation. However, it is necessary to cope carefully with Russia's feelings of alienation in connection with the light-water reactor issue."

According to meeting participants, while the meeting continued, Minister Han just listened to what was discussed, without saying a word. I wonder what plan the ROK's diplomatic conning tower is mapping out now when the direction of South-North relations has been set toward "coexistence" following the conclusion of the North Korean nuclear issue, and when the four strong countries recognize both South and North Korea.

Four Envoys 'Suddenly' Recalled

SK0511134094 Seoul KBS-1 Television Network in Korean 1230 GMT 5 Nov 94

[FBIS Translated Text] Our government is working out various steps to cope with the situation on the Korean peninsula, which has changed since the U.S.-DPRK nuclear settlement.

For this, the government suddenly made the unusual move of recalling ROK ambassadors to the so-called four major superpowers, including the United States, Japan, China, and Russia. Yi Hyon-chu reports.

[Begin recording] [Yi] Our ambassadors to the so-called four major super powers rushed back home.

Thus, the government is busy working out measures to cope with the situation on the Korean peninsula that has changed since the U.S.-DPRK nuclear negotiations.

[Kim Sok-kyu, ROK ambassador to Russia] Russia is moving to cope with this new situation as a nation with past close relations with North Korea and as a neighboring country.

[Hwang Pyong-tae, ROK ambassador to China] I think that both the ROK and China, as cooperative partners, will be able to join in considerable portions of North Korean nuclear power stations.

[Yi] Kong No-myong, ROK ambassador to Japan, pointed out it is true that Japan is accelerating the establishment of diplomatic relations with North Korea.

Han Sung-su, ROK Ambassador to the United States, who returned home tonight, said that the rumor on the withdrawal of U.S. troops from the ROK is groundless and untrue, and stressed that now is the time for us to further consolidate bilateral relations between the ROK and the United States.

Foreign Minister Han Sung-chu will meet these ambassadors tomorrow in his official residence to discuss various policies almost all day long.

It was learned that means for building the peace system through dialogue between North and South Korea and for pushing for multilateral security cooperation in Northeast Asia involving four big countries surrounding our country will be emphatically discussed during tomorrow's meeting. [end recording]

Seoul Reviews Inspection Formula

SK0611024894 Seoul YONHAP in English 0242 GMT 6 Nov 94

[FBIS Transcribed Text] Seoul, Nov. 6 (YONHAP)—The government is reviewing its formula of inter-Korean mutual nuclear inspections to prepare for resumption of the joint North-South Nuclear Control Commission meeting suspended since early last year, as Pyongyang and Washington signed a nuclear agreement in Geneva last month.

An official, noting that the North Korea-U.S. nuclear agreement has paved the way to special inspections of the North's two undeclared nuclear sites in Yongbyong by the International Atomic Energy Agency (IAEA), said there has arisen the need for "realistic review" of the formula.

The review is likely to result in revising the formula in a manner that the mutual inspections will complement the IAEA's special inspections, he said, adding negotiations are under way with the U.S. Government about how inter-Korean mutual inspections should be related to special IAEA inspections.

Seoul and Pyongyang failed to reach an agreement on how to conduct mutual inspections and where to inspect, though the joint nuclear Control Commission had held over 10 meetings between March 1992 and early last year.

The North Koreans opposed Seoul's formula calling for an inspection of a suspect site of the other side 24 hours after it is informed of the inspection plan.

Policy Consultative Council Meets

SK0611053394 Seoul KBS-1 Radio Network in Korean 0500 GMT 6 Nov 94

[FBIS Translated Text] On 6 November, Foreign Minister Han Sung-chu held a policy consultative council meeting at his residence attended by our country's ambassadors to Japan, China, and Russia, as well as ROK Ambassador to the United States Han Sung-su. They discussed pending diplomatic issues, including the question of adopting a peace agreement.

It has been learned that in today's meeting, the council discussed shifting our diplomatic capabilities, which so far have been concentrated upon solving the nuclear issue, to establishing a peace system on the Korean peninsula and to conducting diplomacy for trade and commerce, while determining there is the need to undertake a wholesale reexamination of our basic foreign policy following the settlement of a nuclear agreement between the United States and North Korea.

It was reported that today's meeting reaffirmed our existing position to push ahead, through dialogue between the South and North, with the question of replacing the armistice agreement with a peace agreement on the basis of the basic agreement reached between the South and North. It was also reported that the council discussed ways to push for multilateral security and cooperation in Northeast Asia involving the neighboring four major powers.

Policy Change Toward North Decided

SK0611101494 Seoul KBS-1 Radio Network in Korean 0903 GMT 6 Nov 94

[FBIS Translated Text] The government has decided to develop South-North relations as practical cooperative ones [silchilchok hyomnyok kwangye] and to all-out change [chonmyon chonhwan] our diplomatic line to a practical trade diplomacy [sillijok tongsang oegyo].

In an emergency meeting on diplomatic policies chaired by Minister Han Sung-chu—held today at the foreign minister's official residence in Hannam-tong, Seoul—the Foreign Ministry decided to change its basic line of policies on North Korea to flexibly cope with other countries' moves to establish diplomatic ties with North

Korea, and decided to build practical cooperative relations between the South and the North by activating economic cooperation.

In today's meeting attended by the ambassadors to the United States, Japan, China, and Russia—the so-called four strong countries—it was decided to change our diplomatic line toward the four countries from the present North Korean nuclear issue-oriented line into a trade-oriented one and to strengthen ties with them in pursuing common interests.

In connection with this, the government will consider supplying the three major devices including turbines, as well as less important machines, so that Russia can participate in building light-water reactors in North Korea. The government will also support China's return to the GATT and its activities in the Asia-Pacific Economic Cooperation [APEC].

The government also decided to actively promote the replacement of the Armistice Agreement with a peace agreement, having South and North Korea as parties concerned and the United States and China as observers. The government, however, decided to examine the building of a multilateral security system as a long-term issue.

A government official, who attended today's meeting, stated: The question of actively changing our diplomatic direction to a practical and reunification diplomacy [silli tongil oegyo] was intensively discussed today. I understand that the government is considering a way to help facilitate North Korea's entrance to the APEC.

Mid-, Long-Term Plans Recommended

SK0711003694 Seoul YONHAP in English 0030 GMT 7 Nov 94

[FBIS Transcribed Text] Seoul, Nov. 7 (YONHAP)—South Korean envoys recommended mid- and long-term plans to replace the Korean armistice with a peace pact and discussed the government's adaptive policy following the North Korea-U.S. nuclear agreement, Foreign Ministry Spokesman Chang ki-ho said Sunday [6 November].

The ambassadors to Japan, China, Russia and the United States gathered at the Foreign Minister's residence and described their host nations' reactions to the agreement, their Korea policies and their perspectives on the Korean situation.

"The participants consulted on how to best carry out our policies from a long-term perspective as well as immediate goals," Chang said after the consultations. "There was a consensus that the two Koreas' relations with the four regional superpowers will gain a new dimension after the nuclear agreement. We exchanged opinions on what changes we expected to see."

The envoys agreed that a Northeast Asia dialogue forum, which would include all four of the countries and Korea, is advisable but too early to discuss for now. They wanted more time given to considering the forum, the spokesman said.

Other items on the agenda included having the four countries help in getting North Korea to adhere to the nuclear accord and creating a central role for Seoul in the project to build nuclear reactors for Pyongyang, he said.

President Kim Receives Reports

SK0711065694 Seoul YONHAP in English 0650 GMT 7 Nov 94

[FBIS Transcribed Text] Seoul, Nov. 7 (YONHAP)—President Kim Yong-sam held a breakfast meeting Monday [7 November] with Foreign Minister Han Sung-chu and four ambassadors stationed in the United States, Japan, China and Russia, who reported on the four powers' policies toward the Korean peninsula since the Washington- Pyongyang nuclear agreement was reached in Geneva.

Minister Han asserted that Seoul must deal actively with new developments on the peninsula while reporting on Saturday's policy discussion at the Institute of Foreign Affairs and National Security (IFANS) and Sunday's consultations at his Hannam-dong residence with the four ambassadors.

A government source said Han told the president that Seoul would proceed with inter-Korean relations based on the basic South-North agreement and seek mid- and long-term programs to install a peace system on the peninsula within the accord's framework.

President Activates N-S Economic Cooperation

SK0711091494 Seoul YONHAP in English 0909 GMT 7 Nov 94

[FBIS Transcribed Text] Seoul, Nov. 7 (YONHAP)—President Kim Yong-sam declared Monday that the South Korean Government will take gradual steps to activate inter-Korean economic projects while permitting South Korean businessmen to visit North Korea.

Disclosing that the time has come to study and proceed with South-North Korean economic cooperation, Kim said inter-Korean relations have been strained by Pyongyang's nuclear program.

The president made the remarks at a meeting of businessmen held at the 63 Building in Yoido, Seoul, a kind of send-off for the Asia- Pacific Economic Cooperation (APEC) Summit in Indonesia next week.

Kim urged the two Koreas to cooperate with each other to achieve an economic community for the Korean nation's balanced development and welfare promotion.

He voiced hope that from next year, the 50th anniversary of national liberation from Japanese colonial rule, the joint program for national development which he proposed in his Aug. 15 National Liberation Day speech would be launched.

"The Korean peninsula, with inter-Korean cooperation, will become the central region leading the Asia-Pacific era," he emphasized, urging North Korea to participate in regional and international communities such as APEC.

"If North Korea wants to participate, we will positively support it," he said.

Inter-Korean relations should be approached practically and creatively, he noted, maintaining that the two sides need to provide a basic framework for economic cooperation through consultations in the spirit of mutual assistance.

He then observed that should the door for economic cooperation be opened, it would help solve the problem of dispersed families and increase exchanges in the social and cultural fields.

"To achieve true peace on the Korean peninsula," Kim said, "North Korea's nuclear transparency should be guaranteed under all circumstances," urging Pyongyang to implement the nuclear agreement worked out with the United States in Geneva.

Emphasizing that inter-Korean relations should enter an era of reconciliation and cooperation to meet the trend of world history, Kim expressed hope that the North will join this trend with the advent of a new leader.

'Partial Lift' of Restrictions

SK0711100694 Seoul YONHAP in English 0954 GMT 7 Nov 94

[FBIS Transcribed Text] Seoul, Nov. 7 (YONHAP)—The South Korean Government decided Monday to make public first-round steps on Wednesday to ease restrictions on inter-Korean economic cooperation.

The measures would feature permission of South Korean businessmen's visits to North Korea and the creation of offices in the North by South Korean firms.

A government source said the decision was made at a unification-related ministers meeting chaired by Deputy Prime Minister Yi Hong-ku.

The partial lift of the restrictions would mean that South-North economic cooperation would resume after two years' halt caused by the nuclear question and the uncovery of an espionage ring controlled by the North Korean Workers' (Communist) Party.

The source said the steps would include the permission of technicians' visits to North Korea, of the shipment of facilities to the North to spur processing on commission, and of direct investment in amounts not exceeding 5 million dollars each.

"We plan to ease the link between the nuclear question and economic cooperation now that the nuclear issue has entered a new phase thanks to the Geneva agreement," a government official said Monday.

He indicated that non-political inter-Korean exchanges, too, would be permitted by saying, "when South-North economic cooperation gets energized, exchanges in the social and cultural areas, too, would become much animated."

Vice Unification Minister Song Yong-tae called at the ruling Democratic Liberal Party Monday afternoon to explain about the measures to ease the restrictions, the source said.

Economic Groups Welcome Decision

SK0711112594 Seoul YONHAP in English 1118 GMT 7 Nov 94

[FBIS Transcribed Text] Seoul, Nov. 7 (YONHAP)—Major economic organizations expressed welcome to the government decision Monday to resume economic cooperation with North Korea on a phased basis.

The government is expected to announce a set of initial measures shortly to ease restrictions on economic cooperation with North Korea now that the nuclear issues is in the process of being resolved.

The Korea Chamber of Commerce and Industry and others said, however, there should be an investment guarantee agreement and other institutional devices to ensure full-fledged economic exchanges between the two sides of Korea.

"The planned permission of businessmen's visits to the North would be much helpful to removing a major problem facing those industries doing business with North Korea," the Korea chamber said.

A chamber official added, however, there should be trade and investment guarantee agreements between the two sides since there are no institutional mechanisms to resolve business disputes or ensure the settlement of payment.

He also voiced the need to lay down principles and criterion for economic cooperation with North Korea if only to prevent cut-throat competition among South Korean industries.

The Federation of Korean Industries (FKI) said it welcomes the government decision as the permission of visits to the North by businessmen would in effect pave the way to de facto economic cooperation between South and North Korea.

The FKI cautioned, however, that South Korean industries should promote direct commodity exchanges and investment on a far-reaching basis instead of seeking short-term profits even if they have to go through trials and errors in the initial phase.

"We hope that not only businessmen but technicians, too, will be allowed to stay in the North to facilitate full-fledged economic cooperation," an FKI official said.

The Korea Foreign Traders Association and Korea Trade Promotion Corp. [KOTRA] said South Korean technicians should be allowed to stay in the North for at least six months.

"So far, South Korean firms doing the business of processing on commission with North Korean firms, encountered much problems because they could not furnish technical guide to their North Korean partners as no people were allowed to enter North Korea," a KOTRA official said.

He said that in addition to business firms, public organizations, too, should be allowed to open offices in the North so that they could provide support to South Korean industries' activities in the North.

The Federation of Small Businesses said many small industries are expected to advance to North Korea as Pyongyang wishes to attract investment mostly in light industries specializing in the production of daily necessities.

It expressed the wish that the government would furnish favors to those small industries planning to invest in North Korea as small firms are more vulnerable to investment risks in North Korea than major industries.

Seoul Considers Replacing Armistice With Treaty

SK0511053794 Seoul YONHAP in English 0526 GMT 5 Nov 94

[FBIS Transcribed Text] Seoul, Nov. 5 (YONHAP)—South Korea is considering taking steps to replace the Korean armistice with a peace regime and launching a Northeast Asian security dialogue forum, sources said Saturday [5 November].

The security forum would be in preparation for the expected changes in inter-Korean relations following the Oct. 21 nuclear agreement between Pyongyang and Washington, the sources said.

While the initial idea is to have South and North Korea conclude a new peace treaty and get neighboring nations to guarantee it, the government may seek a guarantee from the security dialogue forum that would include the surrounding powers, the sources said.

Foreign Minister Han Sung-chu gathers together his ambassadors to Japan, the United States, China and Russia on Sunday to discuss these very issues, they added.

Han and the ambassadors will analyze the reactions of Japan, China, Russia and the United States to forming the new security group and seek measures to actualize such a forum to support the Korean peace treaty.

South Korea will consult with the United States on the matter during Secretary of State Warren Christopher's visit to Seoul from Nov. 8-10, they said.

The inter-ministerial Unification Policy Coordination Group, comprising the foreign, unification and defense ministers, the presidential secretary and the chief of National Security Planning, will address the issue at the next session, the sources said.

Christopher's Upcoming Visit to Seoul Analyzed

SK0511021594 Seoul YONHAP in English 0158 GMT 5 Nov 94

[By Yi Tong-min]

[FBIS Transcribed Text] Seoul, Nov. 5 (YONHAP)—U.S. Secretary of State Warren Christopher comes to Seoul next week on an all-purpose visit containing a warning statement, appeasement, reinforcement and settlement.

He is bringing along his assistant for Asia-Pacific affairs Winston Lord and Ambassador-at-Large Robert Gallucci, who last month concluded a nuclear agreement with North Korea.

Between Tuesday night and Thursday morning, Christopher will call on President Kim Yong-sam and consult with Foreign Minister Han Sung-chu, Deputy Premier Yi Hong-ku and Defense Minister Yi Pyong- tae.

Christopher's trip to Seoul follows the Oct. 21 nuclear agreement reached between the United States and North Korea, under which the Communist state has pledged to give up its nuclear program for new reactors and better ties with Washington.

The visit's primary purpose may be appeasement of South Koreans who don't look kindly on the nuclear agreement and think the United States conceded too much to Pyongyang at Seoul's expense.

Such appeasement will come through reinforcement: Christopher's renewed assurance of a continued U.S. security commitment to South Korea despite the nuclear agreement.

Christopher is expected to issue a firm statement, in a speech or at a press conference, that Washington stands by Seoul and will maintain its troops at the current level.

The secretary's presence of itself will be a warning statement to the North Koreans, a show of strong Seoul-Washington solidarity and an acting out of what U.S. officials have been saying—that the United States will not seek rapprochement with North Korea at the risk of rocking the boat with South Korea.

The settlement part of the visit is its most practical side, dealing with implementation of the nuclear agreement.

The United States and North Korea have set a rough time schedule. South Korean officials and Christopher will be discussing steps to meet that time schedule and considering all the monetary and legal arrangements and contracts that go with them.

How much South Korea should pay for new reactors for North Korea, the membership of the Korea Energy Development Organization (KEDO), which will be in charge of reactor construction, and who is to provide interim energy are some of the more tangible issues at hand.

How to synchronize inter-Korean dialogue with development of U.S.-North Korea relations, bind North Korea to the nuclear agreement, and evaluate and deal with the new North Korean leadership are more opaque items on the agenda.

This part of the discussion has much to do with Seoul's inter-Korean policy. South Korea is ready to announce reconciliatory measures for inter-Korean economic cooperation just before Christopher's visit, a prelude and a trial balloon before suggesting actual dialogue.

What Christopher says while in Seoul will reflect what Washington has stated in the past—the security commitment will stay firm, inter-Korean dialogue has to resume and North Korea must meet its obligations for nuclear non-proliferation.

It will be mostly Christopher's presence in Seoul that makes the difference.

President's Speech on APEC, North-South Ties

SK0711122994 Seoul KBS-1 Television Network in Korean 0905 GMT 7 Nov 94

[Speech by President Kim Yong-sam at a meeting of businessmen on the occasion of the upcoming APEC Summit, in Seoul—live]

[FBIS Translated Text] [applause] Dear fellow countrymen and businessmen present, I express my thanks to you, businessmen, for arranging a warm gathering to bid farewell to me. I will embark on a trip for summit talks with Asia-Pacific Economic Cooperation [APEC] and will visit Indonesia, the Philippines, and Australia.

I am pleased to have the opportunity to present my remarks regarding our stance in the midst of the changing situation on the Korean peninsula and the world, as well as the road on which we should advance.

As you know, APEC plays an important role in the process of establishing a new international order following the demolition of the Cold War system. APEC is intensifying and supplementing the multilateral trade system with a view to coping with the trend of regionalism, such as the EU and NAFTA.

For us, who should pursue an external development strategy, the establishment of a multilateral free trade system is of great importance. Measures for realizing multilateral trade and investment liberalization will be concretely discussed during the forthcoming summit talks. APEC will make a considerable contribution to expanding the sphere of our economic activities into all areas of Asia and the Pacific.

APEC will play an important role for common prosperity among the nations that dominate 58 percent of the world's economy. We are assigned a role of harmonizing and mediating between nations that are at different economic developmental stages.

For the development of APEC, we should strengthen our role and responsibility as a backbone nation [chunggyon kukkarosui). The ASEAN region, which I am going to visit before and after the APEC Summit talks, is a newly emerging area with the coming of the Asian- Pacific era.

This region has achieved the most dynamic economic growth in the world. In addition to the trend of increasing trade volume, the significance of this region is increasing with each passing day. It is a growing market with great potential in view of the speed of its economic development. It is the region that supplies important resources to us and is the greatest overseas construction market.

Australia is also an ally that shows zeal for cooperation with us. Australia is not only a trade partner, but also is the nation with which we can carry out close, mutually supplementary economic cooperation in the domains of industry, science and technology, and in particular, in environment technology.

Through the APEC summit and visits to three nations, I, as the president, will make all sincere efforts to develop the road of advancing the nation's destiny in the open international community in the Asian-Pacific era and to promote the nation's interest.

Fellow countrymen, and you, businessmen, the Asian-Pacific era is being opened. The Asian-Pacific era is the time when all residents in this region can enjoy freedom, prosperity, and a high standard of living.

For this, all countries in this region should pursue common prosperity through economic cooperation. This means that the Cold War era has ended and a new era in which economy and welfare are the center of politics at home and abroad has come to our neighbors and to the Korean peninsula.

At this very time, a clue has been found to resolve the North Korean nuclear problem. With this, a new phase has been provided for peace and prosperity in the Asian-Pacific region. This is fortunate.

To achieve genuine peace on the Korean peninsula, North Korea's nuclear transparency should be ensured without fail. For this, the U.S.-North Korean agreement in Geneva should be sincerely implemented.

North-South relations should now advance toward the phase of reconciliation and cooperation in compliance with the trend of world history.

I hope that, with the change of its leader as an occasion, North Korea can also join the flow of world history amid stability.

North Korea should turn on the road of building a national commonwealth [minjok kongdongche] together with us.

In particular, now is the time for us to cooperate with each other for the balanced development of the national economy and for achieving an economic commonwealth so that the welfare of the whole country will be promoted.

In my speech delivered on the anniversary of national liberation on 15 August, I put forward the idea for a common plan for national development in order to design jointly the future of national commonwealth.

I hope we can launch concrete work for this plan next year when we mark the 50th anniversary of national liberation. The fact that we decided to participate actively in the light-water reactor project, which was agreed upon recently, was prompted by the idea of the future of national development.

It is true that North-South relations, being bound by the nuclear issue, have gone through various difficult phases. However, we are now at the point at which we should sincerely review and advance economic cooperation between the North and the South.

Future North-South relations should turn to creative and practical cooperative relations. For this, it is necessary for the North and the South to work out a basic framework for economic cooperation through consultations with the authorities under the spirit of mutual assistance.

With a view to creating such conditions, I will take phased steps to revitalize the work of North-South economic cooperation, including permission for our businessmen to visit North Korea.

At the same time, we should establish the position of our nation corresponding to the Asian-Pacific era by expanding North-South cooperation into the international arena.

The Korean peninsula, with inter-Korean cooperation, will become the central region leading the Asian- Pacific era. In this perspective, I hope North Korea will actively participate in regional and international communities, such as APEC. In addition, I would like to make it clear that the ROK will actively support North Korea if it wishes to participate in those communities.

Should the door for inter-Korean economic cooperation open, it would help solve the problem of dispersed families in the North and the South and further increase exchanges in the social and cultural fields.

Now, the North and the South should pave the road to peace and reunification on the basis of a new understanding that the promotion of national prosperity be placed at the center of North-South relations.

Fellow countrymen, and you, businessmen:

The world is rapidly changing. The situation surrounding the Korean peninsula is also changing. All the countries in the Asia-Pacific region are changing with remarkable speed. We also have to change.

Experiencing a series of recent tragic incidents, I desperately felt that we could never succeed with our way of life and consciousness. We must correct the distorted sense of life, which is the main cause of all incidents, and mental slackness. Most of all, we must restore human love.

Through my repeated agony, I once again realized that reform and change, and the complete and consistent liquidation of irregularities and corruption, are the only keys to the solution of all problems.

I think we must unfailingly set up the discipline of public society under which public officials voluntarily do their best. Having in mind when I was sworn in as the president last year, I will wipe out irregularities and corruption, and tighten the country's discipline.

Particularly, I would like to take this opportunity to say a few words to you, businessmen. Fraud, which rears up its head in our society, demands our humble reflection of the economic development so far accomplished by us.

Now, we should ensure substantiality, not bluffs. I oppose all political funds to prevent the link between political power and business circles, which would eventually lead to fraudulence. Likewise, domestically as well as in overseas, perfect and safe construction should be carried out. We must carry out economic construction in which conscience and self-respect as human beings are imbued. Construction that neglects the human being and substantiality can no longer receive international credibility.

Taking this opportunity, we must build a firm and clean economy. Together with the fellow countrymen, you, businessmen, must make a fresh start for the country and the nation. Let all of us start again, thus sharpening an international competitive edge.

Fellow countrymen: During my upcoming visit, I will have an opportunity to look back calmly on overall state activities. Upon the conclusion of the trip, I intend to sacrifice myself for the country's construction.

Lastly, I ask for your support and pray so that my upcoming summit diplomacy will serve as momentum in promoting our country's national interests and enhancing the country's dignity. Your support and expectations will be with me forever. I hope you make a firm resolution to save this country by doing your utmost.

I will successfully conclude my trip.

Thank you. [applause]

Ministry Says 3 North Koreans Granted Asylum

SK0511124194 Seoul YONHAP in English 1233 GMT 5 Nov 94

[FBIS Transcribed Text] Seoul, Nov. 5 (YONHAP)—Two North Korean loggers and a cook sought refuge in South Korea, the Foreign Ministry announced on Saturday.

The ministry said that Choe Ho-yong and Kim Ho, who worked at Siberian logging camps, and Pak Myong-nam, who worked as cook in a Commonwealth of Independent State (CIS) country, escaped to a CIS country and arrived in Seoul Saturday afternoon through a lawful procedure.

The government granted their asylum from a humanitarian point of view and will continue to maintain the position, according to the ministry.

More Speculation on O Chin-u's Stay in Paris

SK0511053294 Seoul SEOUL SINMUN in Korean 5 Nov 94 p 5

[By correspondent Pak Chong-hyon from Paris]

[FBIS Translated Text] O Chin-u, North Korea's minister of the People's Armed Forces, has been staying in Paris for 11 days now to undergo treatment for lung cancer. Reportedly he is "traveling in disguise" and avoiding attention; however, it has been learned that he is steadily receiving medical treatment as he constantly changes hospitals.

After the initial medical examination on 27 October, it was expected a diagnosis would be made in two to three days, but so far that diagnosis has not yet been revealed. It has been learned that on 29-30 October, during which time Leannec Hospital was on holiday, O Chin-u received additional treatment at another hospital.

It has been theorized that the reason O changes hospitals is due to Leannec Hospital's being completely exposed to the media. In his first and second medical examinations, the medical team diagnosed the minister as needing additional radiotherapy and anticancer medication.

It has also been learned that O's radiotherapy was being conducted at another hospital. It is thought he is being treated at another hospital because Leannec Hospital has been exposed to the media and because the minister's legs are not well, forcing O to depend on a wheelchair.

The minister has not yet undergone surgery, and it is believed there is little possibility for him to undergo an operation. However, it has not been revealed whether his situation has become aggravated to the degree he has reached the third or fourth stage of lung cancer.

It will be difficult for O Chin-u, who is 77-years old, to receive surgery due to his advanced age. It is confirmed that his lung cancer is serious. If he continues to receive treatment, attention will be concentrated on how long he will remain in Paris.

It is thought O Chin-u may have extended his visa. Ordinarily, the valid term for a visa for a country that maintains no diplomatic ties with France is approximately 10 days. When taking this into consideration, it is believed the minister may have extended his visa around 1-3 November.

However, since there is a slim possibility he will undergo surgery, his stay in Paris will not be long. Also, the general view is he will not return home immediately.

Observers say O Chin-u will stay in Paris for a further two to three weeks to receive radiotherapy.

Further on Status of O Chin-u

SK0611132794 Seoul KBS-1 Television Network in Korean 1233 GMT 6 Nov 94

[By correspondent Ko Su-ung from Paris]

[FBIS Translated Text] It has been learned that O Chin-u, minister of the People's Armed Forces of North Korea, who has stayed in Paris since 25 October, underwent exhaustive medical examinations two or three times following the initial 27 October examination at Laennec Hospital, a world-famous Paris hospital specializing in lung cancer. As a result of the examinations, Laennec Hospital determined that O Chin-u has lung cancer, however, it has yet to decide whether O will undergo surgery.

O Chin-u is staying at the North Korean mission near Paris and goes to the Laennec Hospital in downtown Paris on an outpatient basis. The hospital refuses to reveal O Chin-u's exact health condition, but reports say it is difficult for him to move on his own.

It seems that O Chin-u, minister of the People's Armed Forces, will stay in Paris for two or three more weeks and decide whether or not to have an operation. It is possible, however, that O Chin-u will stay here longer for treatment until he is completely cured, in light of the fact that he is needed to maintain the North Korean regime because he was Kim Il-song's colleague, as well as an influential man who has led the Army.

Light-Water Reactors in China Planned 'Soon'

SK0511111694 Seoul YONHAP in English 1108 GMT 5 Nov 94

[FBIS Transcribed Text] Seoul, Nov. 5 (YONHAP)—South Korea will construct two South Korean-style light-water reactors in China soon, South Korean Ambassador to China Hwang Pyong-tae said on Saturday.

For the construction, South Korea and China will conclude a memorandom of understanding [MOU], under which a

South Korean survey team will be dispatched to China, and a protocol for nuclear safety cooperation, he said.

Hwang, who returned here to attend a forum, said, "Officials from the Korea Electric Power Corp. (Kepco) and the Korea Atomic Energy Research Institute (KAERI) will visit Beijing soon to sign the MOU and protocol on Nov. 23."

The scheduled construction of South Korean reactors in China will be a great pressure on North Korea, which is showing reluctance to accept South Korean-style light-water reactors, Hwang said.

"Especially, Pyongyang cannot say any more that the South Korean- style reactors are not safe," he added.

Brunei, Malaysia & Singapore

Malaysia

Mahathir Sees 'No Need' for Foreign Bases

BK0711071094 Kuala Lumpur Voice of Malaysia in English 0600 GMT 7 Nov 94

[FBIS Transcribed Text] Malaysia feels that there is no need for big powers to set up military bases in Southeast Asia. Prime Minister Datuk Sri Dr. Mahathir Mohamed said he did not consider it necessary to have a military base in the region because the region did not feel threatened by either China or Japan. He told a news conference at the end of his two-day visit to Langkawi that he had repeatedly explained that if countries in Southeast Asia formed a pact and singled out certain countries as potential foes, these countries would become their enemies and this would lead to strained ties.

Datuk Sri Dr. Mahathir said this when asked to comment on reports that the United States was looking for locations in several ASEAN countries to set up military bases. For this reason, he said Malaysia always fostered good relations with other countries and did not want to mention the possibility of being attacked by others.

Datuk Sri Dr. Mahathir said any problem that arose in Southeast Asia could be settled through negotiations.

Editorial Opposes APEC Institutionalization

BK0511140194 Kuala Lumpur NEW STRAITS TIMES in English 3 Nov 94 p 12

[Editorial: "APEC's Deceptive Future"]

[FBIS Transcribed Text] By 2020 most estimates forecast that as many as seven of the world's top 10 economies belong in today's APEC [Asia-Pacific Economic Cooperation]. Only one among these future Asia-Pacific powerhouses, the United States, would be outside continental Asia. By this reckoning most of the leading multilateral bodies overseeing the world economy today—the G-7, IMF, OECD—are heading towards rapid obsolescence, and have demonstrated to the incipient worldbeaters how little they have mattered. Particularly for the East Asian newly industrialising countries, this failure of attaining due recognition for the changing of the guard has been galling, if not frustrating. This rather pointed exclusion does not only belie the facts, it sustains the old order delusions that serve to alienate these emerging economies into a prime target for a reactionary backlash. These countries can expect a proportionate increase in trade tensions the higher they rise to threaten that order.

There is thus one very obvious rationale for these economies to band together—to act in concert in interacting and merging painlessly with the rest of the world. To this end, they must co- operate to help one another in their best interests, in a way that deprecates any suspicion of aloofness. The Asia-Pacific region thus needs to strike a fine balance between mutually-strengthening cooperation and preventing this from being perceived as movement towards a trade condominium. At least on the face of it, APEC appears tailormade for this purpose. But here, it starts to hit an impasse—is the grouping, under its current loose structure, already "made", at least for the time being; or, is it still to be tailored to bind itself closer together? It has always been Malaysia's contention that the smallest and weakest of members would be swept along with the momentum of the big players whose leadership would naturally acquire the dimensions of their relative size and power within the grouping. Even now, with APEC at the raw end of its formative stage, the influence of the US is overbearing. With the establishment of rules and the commitments they entail, that influence, allied with other big fishes, could well become decisive. Any dominance by a powerful few within a sizable group will be construed as bloc-building—indeed the very term itself implies the conversion of adherents into widening alliances of power.

The greater that APEC is structured or institutionalised—that is, the more rules and commitments its members subscribe to—the tighter would the sinews of a bloc take hold. Even the vaguest declarations of intent could, if they succeed at all, lead in time to concrete commitments. Such commitments would patently override or even retrench existing mechanisms and arrangements. Any substantial trade initiative by APEC would thus detract from ASEAN's own—such as its AFTA [ASEAN Free Trade Area], which has already been accelerated by members' induction into GATT compliance. APEC's headline proposal of setting a deadline for regional free trade in 2020, if fully endorsed could show up the first loose thread in ASEAN's eventual undoing.

The more-than-probable dominance of the US in APEC would short- change East Asia's legitimate need for a place on the world stage that is commensurate with its economic strength. Also, in order for that place to adequately make democratic room for its smaller members, the region requires a grouping with a clearer basis of commonality than APEC's over-extended compass. It needs a forum it can entirely call its own.

Cambodia

Ranariddh Condemns KR Killing of Hostages

BK0611131894 Phnom Penh National Radio of Cambodia Network in Cambodian 0500 GMT 6 Nov 94

[FBIS Translated Text] Prince Krompreah Norodom Ranariddh, first prime minister of the Royal Government of Cambodia [RGC], has said that the RGC denounces those who recently killed the three foreigners. He pointed out that the barbarous actions committed by the Khmer Rouge [KR] against the three foreigners, especially its killing of these innocent people, should be highlighted.

With regret, the prince further said that if the Khmer Rouge continued their cruel activities and the protracted inter-Cambodian war, these would jeopardize the reputation of the nation and hinder the rehabilitation and redevelopment of the country.

The prince prime minister's statement is parallel to the message of His Majesty King Norodom Sihanouk, who has asked the RGC to take urgent measures against the criminals who killed the three foreigners at Phnum Voar.

In spite of the appeals given out by the RGC, especially by the king, the Khmer Rouge group continues to abuse and kill innocent Cambodian people. On this issue, the prince said the RGC was tracking down the culprits and the key Khmer Rouge leaders so as bring them to justice. He added that the RGC had made all kinds of concessions, even agreeing to pay a ransom to the Khmer Rouge for the release of the three foreigners.

Ranariddh Urges Thailand To Return Sin Song

BK0711104794 Hong Kong AFP in English 1011 GMT 7 Nov 94

[FBIS Transcribed Text] Phnom Penh, Nov 7 (AFP)—First Prime Minister Prince Norodom Ranariddh called on Thailand Monday to return to Cambodia the fugitive former interior minister Sin Song who was recently sentenced to 20 years in prison for his role in leading a failed July coup attempt.

"It will be very delicate for the Thais to give him any asylum because he has been already condemned," the prince told reporters following a seminar on regional peace and development. The former interior minister was sentenced in absentia along with co-coup leader Prince Norodom Chakkrapong to 20 years imprisonment.

"I think that to improve the relations between our two countries the Thai government has to answer positively to the Cambodian government demand (for Sin Song's return)," the prince added.

Sin Song was arrested in Bangkok last week and was convicted of illegally entering Thailand.

Prince Chakkrapong was allowed to leave the country the day after the failed July 2 coup bid when his father, King Norodom Sihanouk, intervened on his behalf. Prince Chakkrapong is currently residing in France. Chakkrapong left the country with the permission of France, but Prince Ranariddh said that Paris had informed him that they did not want to give asylum to the former interior minister.

Nine Thai nationals were also found guilty of involvement in the coup but, after much pressure from Bangkok, were given suspended sentences and allowed to return to Thailand. The release of the Thais did much to improve the often fractious relations between the two neighbouring kingdoms.

"I think we have shown in the past that the cooperation between our two countries is going very well," the prince said without going into detail.

KR Radio Notes Arrest of Sin Song in Thailand

BK0411143394 (Clandestine) Radio of the Provisional Government of National Union and National Salvation of Cambodia in Cambodian 1200 GMT 4 Nov 94

[FBIS Translated Text] Sin Song, a lackey of the communist Vietnamese and a criminal ringleader who has been responsible for killing the Cambodian people for the past more than 15 years, was arrested in Thailand on 2 November. He owes a great blood debt to the Cambodian nation and people. When he was in control of the puppet police, security, and interior forces he arrested, detained, and killed many Cambodian people on the orders of the communist Vietnamese. Later, he was bought off by the United States to serve its criminal policy.

As part of the plan to attack the Cambodian nation and people and Democratic Kampuchea [DK] during this dry season, the communist Vietnamese and the United States staged a farcical coup d'etat in order to keep Sin Song in the shadows and then sent him to conduct subversive activities against DK from the rear. His mission was to stir up pacification, internecine, political, and psychological warfare; collect intelligence; and send commandos to carry out assaults. Sin Song was chosen because he has never hesitated to kill the Cambodian people. He was also among the first group of communist Vietnamese puppets and ranks as high as Chea Sim. He has been the best pawn the communist Vietnamese have had to collect intelligence and launch subversive activities over the past more than 15 years.

A large part of their criminal plan has now been exposed, but they will certainly continue their efforts. The Cambodian nation and people will not sit still and let them kill us that easily by any means. The Cambodian nation and people are experienced in the fight against these Vietnamese criminal ringleaders. We will continue fighting for the survival of our nation and race.

Kampot Province Refutes Hostage Killings

BK0611120994 (Clandestine) Radio of the Provisional Government of National Union and National Salvation of Cambodia in Cambodian 1200 GMT 5 Nov 94

["Fourth Message" of the people of Kampot Province—date not given]

[FBIS Translated Text] The following is the fourth message on the three foreigners that our station has received from the people of Kampot Province:

I. First of all, we, the people of Kampot Province, would like to clarify that those who killed the three foreigners are communist Vietnam and elements of the two-headed government, including Hun Sen and Ranariddh as well as civilian and military elements in Kampot Province. In addition, the U.S., French, and Australian Governments, who stubbornly refused to solve the problem politically and peacefully, also took part in killing their own citizens.

II. What happened is as follows:

1. Shortly after their disappearance, the embassies representing the three foreigners were in a panic and requested that the two-headed government do whatever it could to solve the problem, while the people and families of the three asked their governments and the two-headed government to solve the problem through political and peaceful means.

2. The situation concerning ways to solve the problem:

While the people of Kampot Province requested that the problem be solved politically and peacefully, the two-headed government and communist Vietnam tried to solve it by waging a war. Moreover, they used the three foreigners to reap hundreds of thousands and even millions of dollars to share among themselves. Night and day, the two-headed elements from Phnom Penh and in Kampot Province, as well as military commanders and the provincial governor, jointly organized and launched a military campaign against Phnum Voar ceaselessly. They also used middlemen to negotiate so that they could pocket as much money as possible. Therefore, every day they talked only about this or that amount of money to be paid to finance the search for the three foreigners. They are vultures and demons sucking the blood of the Cambodian people and foreigners.

III. The circumstances under which the three foreigners died:

The people strived to constantly protect them with the following two important aims:

A. To make them aware of the true morality of the Cambodian people and of the resistance forces, who love the nation and people with whom they are living.

B. To arrive at a political and peaceful solution that would benefit the three foreigners and put an end to the war waged by the communist Vietnamese aggressors, thereby bringing security to the people and peace to Cambodia.

Nonetheless, the two-headed government and communist Vietnam had previously concocted a well-defined scheme to override the sacred wish of the Kampot people, who wanted to solve the problem politically and peacefully, and the demand of the three foreigners' governments and parents who requested that the problem be politically and peacefully solved with the people and Democratic Kampuchea in Kampot Province or the Provisional Government of National Union and National Salvation. According to the scheme, the two-headed government and communist Vietnam constantly carried out attacks to manifest their power and to kill or injure hundreds of people—young and old, male and female alike—and Buddhist monks and destroy their houses, paddies, property, cattle, pigs, poultry, farms, and so on. Day and night, while they constantly fired hundreds of thousands of shells and rockets from cannons and multiple rocket launchers onto small pieces of land, their ground troops plundered and burned everything. That was the implementation of their policy of demolishing the Khmer Rouge-controlled area and sabotaging the demand of the countries of the three foreigners. This action was designed to put the blame on Democratic Kampuchea. Moreover, they also played the foul trick of loudly advertising through middlemen that the three foreigners could only be freed if hundreds of thousands or millions of dollars were paid. This action puzzled newsmen and reporters. As for Ieng Muli, Sieng Lapresse, Tie Banh, Hun Sen, and Ranariddh, they issued deceitful statements, confusing foreign reporters and embassies for several months. What was the purpose of their action? It was to hoodwink those countries into further giving military aid to the two-headed government, enabling it to continue to fan the flames of war. Those vultures and demons had planned to do something like that.

The military campaign against Phnum Voar that caused the deaths of the three foreigners occurred as follows:

The people remember well the military campaign because they themselves were victims. For 84 days and nights, their villages were constantly under attack from cannons and multiple rocket launchers. Everything was completely destroyed. The villagers who could escape the attacks are still alive, while others were killed or wounded. And everywhere are holes filled with blood. No human rights organizations, humanitarian organizations, or United Nations representatives shouted for help. Instead, they clamorously urged further attacks on Phnum Voar. In the end, people from both sides died. Piles of Cambodian people and two-headed government troops were killed or wounded and the three foreigners were also seriously wounded. The people painstakingly evacuated the three wounded foreigners to a new area with the aim of saving their lives and further finding a political and peaceful solution. However, Ke Kimyan and the two-headed commanders ordered their cannon and mortar units to pound and liquidate the three foreigners at once. They ordered the immediate execution and burial of the three, then issued an urgent announcement that their bodies had been found and that General Paet had killed them.

IV. These are the details of the story and the directors of the affair were communist Vietnam and the two-headed government. This type of episode is plentiful in Cambodian and world history. When they beat a dog, they say that the dog is mad; when they staged the March 1970 coup d'etat, they said that neutral Cambodia was bad and immoral; when communist Vietnam sent hundreds of thousands of troops to attack and invade independent, peaceful, and neutral Cambodia in 1978, it said Democratic Kampuchea was killing human beings; when they attacked Khieu Samphan and Son Sen, who were nearly bleeding to death from the head in Phnom Penh in November 1991, they said the people who attacked them were furious; when the First World War erupted, it was because the king's son was shot to death in Sarajevo; when the Second World War broke out, it was because of pure race problems in Austria and Czechoslovakia; and so on.

V. However, the truth remains the truth; a betrayal remains a betrayal; aggression remains aggression; patriotism remains patriotism; a donkey remains a donkey; and Lord Buddha, who could no longer remain patient, began to defeat the devil.

VI. Who are responsible for killing the three foreigners?

It was communist Vietnam, the boss of the two-headed government, who ordered the concocting and implementation of the scheme to kill the three foreigners to serve its policy. It was the two-headed elements, especially Hun Sen, Chea Sim, Tie Banh, and Ranariddh as well as military commanders in Phnom Penh and Kampot, including Ke Kimyan. Aside from this, there was also Ieng Muli, who issued deceitful propaganda to fool other people. And it was the alliance, in particular the United States, France, and Australia whose government paid no attention to the request sincerely made by the people of Kampot that the problem be solved politically and peacefully. All of them have committed grave offenses because they have waged a war of aggression for 15 years to massacre the Cambodian nation and people and have killed the three foreigners to serve their most criminal policy and strategy.

Hun Sen Derides Khmer Rouge 'Struggle'

BK0711093594 Phnom Penh National Radio of Cambodia Network in Cambodian 0500 GMT 7 Nov 94

[FBIS Translated Text] Samdech Hun Sen, second prime minister of the Royal Government of Cambodia [RGC], has said that the struggle conducted by the Khmer Rouge against the RGC under the pretext of opposing Vietnam is totally nonsensical. Actually, this struggle has only wasted the lives of Cambodians on both sides. In the end, the only ones who will benefit are Cambodia's neighbors.

The second prime minister added that the RGC no longer wants to discuss a Khmer Rouge surrender. What the government really wants is for all Cambodians to live within the one and only national community. He added that if the Khmer Rouge rebels—whether they are red, white, blue, or yellow—do not want foreigners to swallow Cambodia, they must join in the defense of Cambodia's territory.

The second prime minister pointed out that he will only comply with the wishes of the Khmer Rouge rebels if they return, stay, and unite with the RGC. Then they will be able to defend our territory in accordance with their true patriotism.

Indonesia

Suharto Agrees To Meet East Timor Dissidents

BK0411162294 Jakarta REPUBLIKA in Indonesian 4 Nov 94 p 1

[FBIS Translated Text] Jakarta (REPUBLIKA)—President Suharto has agreed to meet with East Timorese known to be opposed to the province's integration into Indonesia. "The president is ready to meet with them anytime," said Indonesian roving Special Ambassador F.X. Lopes da Cruz after meeting with the president at the Bina Graha [Presidential Office] in Jakarta yesterday.

Lopez reported to the president that the Portuguese Government had expressed its gratitude to the Republic of Indonesia through Foreign Minister Durao Barroso for the development of East Timor. "Barroso brought a message from the Portuguese Government to the people of East Timor that Portugal will never return to East Timor, nor will it make a claim to any oil that might be discovered in the Timor Gap," Lopes said.

Among other things, Lopes reported to the president on the second round of reconciliation talks between pro-Indonesian Timorese and Timorese exiles led by Abilio Araujo in London from 29 September to 1 October. Lopes said the meeting was significant because it was attended by the Kitani, the UN secretary general's envoy, and Pope John Paul and the Portuguese Government gave their blessing to it.

Five [as published] topics of discussion were brought up at the meeting; namely, the realization of basic human rights in East Timor, steps toward autonomy, the gradual withdrawal of troops, and the development of a scientific discipline relating to the preservation of East Timor culture.

President Suharto gave his advise on these matters. First, regarding East Timor autonomy, according to the laws of the Republic of Indonesia it is impossible to turn East Timor into an autonomous province. The law governing provincial autonomy is not yet in force, even in other provinces. Perhaps East Timor can become a pioneer for the implementation of the law on autonomy, the president said. On the gradual withdrawal of Indonesian troops, the president said that East Timor is a province of the Republic of Indonesia. It is legal to place military personnel in that region as required. On the release of political prisoners, President Suharto said that it is a matter of their own conscience. "We do not agree that they should be given special consideration. If they are released, we are afraid they will create further disturbances," Lopes continued.

Meeting With Movement Leaders Urged

BK0511154594 Hong Kong AFP in English 1014 GMT 5 Nov 94

[FBIS Transcribed Text] Jakarta, Nov 5 (AFP)—East Timor's Roman Catholic bishop said Saturday that

Indonesian President Suharto should meet not only with exiled East Timorese, but also with leaders of the pro-independence movement in the former Portuguese colony.

Suharto said Thursday he was ready meet with exiles from troubled East Timor to hold a dialogue and foster deeper mutual understanding.

"The commanders of the Fretilin [Revolutionary Front for an Independent East Timor] and armed resistance groups in the jungle should be invited to the meeting and Xanana Gusmao should not be neglected," Bishop Carlos Felipe Ximenes Belo told AFP by telephone.

Gusmao was the leader of Fretilin from 1979 until his arrest by Indonesian troops in December 1993. He is currently serving a 20-year jail term at the Cipinang prison in East Jakarta.

"If they (Fretilin) are not invited, the armed resistance will go on endlessly," Belo said.

Fretilin has been fighting for independence since Indonesia invaded East Timor in December 1975 and declared the former colony its 27th province the following year. The annexation has never been recognized by the United Nations.

According to the Indonesian military, the Fretilin guerrilla group has been reduced to less than 200 poorly-armed men.

Belo said he has failed in his attempts since 1984 to meet Suharto to inform the president of problems in East Timor. The bishop said he wanted to raise the possibility of granting a [words indistinct] status to East Timor.

Meanwhile, the US-based East Timor Action Network (ETAN) has called on President Clinton to support self-determination for the region, a statement issued by the group said.

"We are urging President Clinton to press President Suharto to allow a UN-supervised vote by the East Timorese on their future status as required by UN Security Council resolutions," the statement said.

Bill Clinton is scheduled to arrive here on November 13 to attend the Asia Pacific Economic Cooperation leaders' summit. He is expected to meet with Suharto after the summit. ETAN said US President Gerald Ford visited Jakarta 19 years ago and gave the go ahead for the invasion of East Timor, which began 10 hours after the American leader left.

"With this trip, President Clinton has the opportunity to pressure President Suharto to reverse its policy and allow the referendum that Indonesia's invasion has for too long denied," the statement said. ETAN was founded in 1991, following the army's suppression of protests in the East Timor capital of Dili that left dozens of civilians dead.

Editorial Hails Dialogue With Timor Dissidents

BK0711100394 Jakarta REPUBLIKA in Indonesian 7 Nov 94 p 6

[Editorial: "Dialogue With Anti-Integration Leaders of East Timor"]

[FBIS Translated Text] President Suharto has given a sympathetic hint for the final settlement of the East Timor (ET) question. Receiving F.X. Lopes da Cruz at his Cendana residence last Thurday, the president expressed his willingness to confer with overseas East Timorese who have been opposed to the integration. According to the roving ambassador of the Republic of Indonesia with the special mission, the time for the meeting will be set later on. "Obviously, the meeting will be held in Jakarta," da Cruz told the reporters.

The offer to hold a dialogue is of course quite positive for the settlement of the East Timor question. The Indonesian Government has repeatedly affirmed that the East Timor question is de facto and de jure over, and this is the case. However, irritants continue somehow. Some anti-integration groups are continuing the campaign to dismiss the integration as illegal. They have actively lobbied with various people overseas. To win international sympathy, they have misled the world with untrue information about the situation in East Timor.

It is true, however, that their anti-integration campaign has recently decreased. This has happened because the international community is becoming more objective in viewing the East Timor question. The world does not see the East Timor question solely on the basis of the information given by the anti-integration groups. Besides, the Indonesian Government is opening the doors to different international circles to witness the reality in East Timor.

However, dialogue with anti-integration groups is important. The considerations are: First, it will prove that the Indonesian Government is serious about settling the East Timor question once and for all. This means that it is not true that the Indonesian Government rules out any dialogue on the question. Second, many overseas East Timorese do not know the actual situation in East Timor. They rely solely on the information given by anti-integration groups. Such misinformation can be rectified through the dialogue.

Of course, the Indonesian Government's stand point [preceding two words in English] is clear. The integration of East Timor with the Republic of Indonesia is final and legal. This implies that the dialogue will not be in the context of disputing the inclusion of East Timor in the Republic of Indonesia but rather in the context of seeking a common perception of the integration. Dialogue can also be held to discuss what measures can be taken by the two sides to develop East Timor.

It would be better if the dialogue included various anti-integration groups, as the anti-integration stance is not the monopoly of one particular faction. Furthermore, their leaders are not as strongly supported as previously by their followers. The credibility of Ramos Horta, for example, has now been questioned by his followers because they believe that he can no longer represent the overseas East Timorese.

It would be much better if the dialogue also included pro-integration groups. That way, all who take an interest in the East Timor question will be represented.

Horta Pleased Clinton, Suharto To Discuss Timor

LD0511110494 Lisbon Radio Renascenca in Portuguese to Europe 0900 GMT 5 Nov 94

[FBIS Translated Text] Bill Clinton has decided to raise the human rights issue with President Suharto. The U.S. President had been under pressure to do so, and now Assistant Secretary of State Winston Lord has confirmed that Clinton will discuss the Timorese question with the Indonesian president.

Ramos Horta, the representative of the Timorese resistance abroad, described the U.S. stance as decisive for the Timorese cause and named some of the items on the agenda for the Clinton-Suharto meeting:

[Begin Horta recording] As far as I know, he will speak of the need for the Indonesian troops to leave the territory, and of the need for a negotiated political solution under the aegis of the United Nations, and so on. This is extremely important. Moreover, besides Clinton, I have been assured by Canadian Prime Minister Chretien that he too will take up the matter with Suharto. We are certain that the Australian prime minister will be doing likewise, as will the Japanese prime minister.

It was precisely in an attempt to preempt all the publicity over the Timorese question and the pressures from his APEC [Asia-Pacific Economic Cooperation] partners, that President Suharto a few days ago announced his willingness to talk to Timorese leaders in exile. But this is just a maneuver. What he will in fact do, he will probably meet Mr. Abilio Araujo, who is no longer on the side of the resistance as he now favors integration. So it will just be a maneuver with no practical results. [end recording]

The meeting between the presidents of the United States and Indonesia is expected to take place at the end of the Asia-Pacific Economic Cooperation forum.

Editorial Discounts Possibility of CIA Aid

BK0411155794 Jakarta SUARA KARYA in Indonesian 3 Nov 94 p 5

[Editorial: "Accepting CIA Assistance Would Have Been an Invitation to the KGB"]

[FBIS Translated Text] While receiving a courtesy call from a delegation of the Central Executive Board of Muhammadiyah [Islamic group] on Tuesday, 1 November, President Suharto reiterated that no assistance was received in any form from the CIA in crushing the G30S/PKI [30 September Movement/Indonesian Communist Party] rebels. The Indonesian people crushed the rebels themselves.

The issue of CIA assistance recently resurfaced following the publication of a book by Manai Sophiaan, who was Indonesian ambassador to the Soviet Union when the rebellion broke out. In the book, entitled "Honor for Those Who Deserve It," Manai Sophiaan hints that the CIA helped crush the G30S/PKI, especially by providing yellow jackets for the university students who held protest demonstrations demanding the banning of the PKI. President Sukarno did not respond to this demand.

As the holder of the 11 March Presidential Order [to assume power], Suharto—whose first action was to outlaw the PKI before proceeding to crush the rebels—knows the CIA did not give any assistance at all. He planned every action carefully, taking both internal and external factors into consideration.

We want to emphasize this fact because during the Cold War between the United States and the Soviet Union—the world's superpowers at the time—both tried to expand their hegemony worldwide, including in Indonesia. They sought the opportunity to control this country at a time when the Indonesian people were in a state of confusion because of the G30S/PKI action.

The coup attempt by the G30S/PKI placed the Soviet Union at a disadvantage. With the Jakarta-Hanoi-Beijing axis initiated by Bung Karno [President Sukarno] during his rule, the Soviets had a chance to expand their influence in this country to counterbalance that of the United States.

We are sure that Pak Harto [President Suharto] was well aware of the superpowers' strategy for dealing with chaotic nations like Indonesia at the time. For this reason, we must bear in mind that it was important that neither superpower be given a chance to interfere in our affairs. Besides, the PKI still enjoyed widespread sympathy among the people at the time.

As a result of his strategic thinking, Pak Harto must have decided not to allow the CIA to assist in crushing the G305/PKI. If the CIA had provided any assistance, the Soviets and their KGB would not have stood still. In other words, to allow the CIA to assist would have been tantamount to inviting the KGB to join the fray, and Indonesia would have become a Cold War battlefield.

It is true that the superpowers' intelligence networks tried to exploit the chaotic situation in Indonesia at that time. As a strategist, though, we know that Pak Harto knew the proper course of action. Therefore, President Suharto's denial of CIA assistance is based on sound reasoning and the allegation of CIA assistance is sheer nonsense.

Laos

Foreign Minister Departs for Mongolia, PRC

BK0711122394 Vientiane KPL in English 0912 GMT 7 Nov 94

[FBIS Transcribed Text] Vientiane, November 7 (KPL)—A delegation of the Ministry for Foreign Affairs of the Lao People's Democratic Republic led by its minister, Somsavat Lengsavat, left here yesterday for Mongolia on an official visit to that country between November 8-11.

While in Mongolia, the Lao foreign minister is scheduled to meet with Tserenpiliyn Gombosuren, Mongolian minister of external relations, and to call on the president, the prime minister and the president of the National Assembly of Mongolia. He will visit economic and cultural sites in Ulaanbaatar and some other provinces.

After winding his official visit to Mongolia up, the Lao foreign minister will pay a cordial visit to China at the invitation of the Foreign Relations Board of the Communist Party of China Central Committee.

PRC Press Delegation Meets Vientiane Mayor

BK0511130694 Vientiane KPL in English 0910 GMT 5 Nov 94

[FBIS Transcribed Text] Vientiane, November 5 (KPL)—A delegation of the Chinese newspaper "PEOPLE'S DAILY" headed by Mr. Bao Yujun, deputy editor-in-chief and senior editor of the newspaper, yesterday afternoon called on Boun-gnang Volachit, mayor of Vientiane Prefecture.

The mayor of Vientiane hailed the visit to Laos by the delegation and described it a landmark in the strengthening of the long-standing ties of good neighbourliness between Laos and China.

On the same day morning, the Chinese delegation held a meeting with a delegation of PASASON newspaper—the organ of the Lao People's Revolutionary Party Central Committee. The two delegations discussed the exchange of information and the future cooperation between the two papers.

The delegation of the PEOPLE'S DAILY arrived here on November 3 on a six-day long visit to Laos.

Premier Issues Decree on Inspection Committee

BK0711122094 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 5 Nov 94

[FBIS Translated Text] Prime Minister Khamtai Siphandon issued decree No. 188/PM [Prime Minister] dated 27 October 1994 on the organization and activities of the Government Inspection Committee. The decree is divided into five parts and consists of nine articles which specify the position, roles and responsibilities, limits of rights and duties, organizational structure, direction of activities, and working regulations of the Government Inspection Committee.

The duties of the committee are to educate and train cadres and people in the political and ideological field so that they can join in organizing, implementing, and inspecting the implementation of all socioeconomic development plans; positively and effectively put into actual practice the decrees and decisions of the government as well as the regulations and laws of the state; regularly study, follow up, and collect factual information about the implementation of the plans and work of the government at various ministries and provinces so as to use them as the basis for the working out of an inspection plan; positively boost and translate into reality new, outstanding factors while examining and settling weak points and remaining problems at places where negative phenomena prevail; and coordinate with ministers and provincial governors in organizing state inspection committees at various levels to regularly and systematically carry out activities.

The Government Inspection Committee is to report the results of its inspection for each period to the prime minister and the government for consideration so as to give guidances and make decisions for dealing with any improper aspects in a timely manner. The committee also has the duty of coordinating with the Anti-Corruption Committee and other law protection organizations in inspecting, opposing, and preventing various negative phenomena which may be found during the inspection of the implementation of government work in various branches and localities. If the committee sees that some of the negative phenomena are dangerous and deems it necessary to have them dealt with urgently, it must give suggestions to the prime minister on how to settle the problems and what disciplinary action should be taken against those who are guilty of malfeasance against the government.

The Office of the Government Inspection Committee is situated at the Prime Minister's Office in Vientiane.

Philippines

Government Confirms Dutch Citizenship of Rebels

BK0711064194 Quezon City PTV-4 Television Network in Tagalog 0500 GMT 7 Nov 94

[FBIS Translated Text] Communist leaders Jose Maria Sison and Luis Jalandoni have been confirmed as Dutch citizens. This was revealed by Antonio Carpio, presidential adviser on legal affairs, after receiving the legal opinion submitted by Justice Secretary Franklin Drilon. The confirmation was based on the result of the investigation conducted by the Department of Foreign Affairs [DFA] on Sison and Jalandoni's citizenship. Carpio said the report is now under the custody of Executive Secretary Teofisto Guingona. In this connection, Drilon said the president will decide on the appropriate steps to take based on the DFA's findings.

Regions Contribute To Second Quarter Growth

BK0711071594 Manila BUSINESS WORLD in English 1 Nov 94 pp 1, 5

[Report by Rachel E. Khan]

[FBIS Transcribed Text] Unlike in the past, the recent gross national product (GNP) growth rate of 5.1 percent is no longer a result of activities concentrated in the National Capital Region but scattered through the regions. This was the conclusion reached by the National Economic and Development Authority's [NEDA] *Regional Economic Situationer, Second Quarter Report.*

In a press briefing at the Malacanang Palace yesterday, NEDA Director General Cielito Habito noted that "all regions contributed positively to the favorable performance during the quarter through greater investments and exports and positive growth in agricultural production."

Moreover, he noted the growth attained in the regions was not because of heavy government intervention, but of the initiatives of the private sector. "*Sariling sikap* (self-help), as we have always been saying, is the answer," he said.

According to the report, factors which contributed to the positive growth were intensified investment promotion activities outside the National Capital Region, the implementation of critical infrastructure projects, improved power supply and the relatively stable peace and order situation in the countryside.

Sustaining the first quarter performance, regional investments made further headway in the second quarter as shown by records of the Board of Investments and the Securities and Exchange Commission. New projects accounted for 40 percent, while 60 percent represented project expansions. Areas with most investment inflows included furniture, agriculture, machineries, equipment, electronics, computer software, apparel, tourism, purse seining, and prawn culture.

Regions III (Central Luzon) and X (Northern Mindanao) saw the highest levels of investment at P24.1 billion [Philippine pesos] and P15.8 billion, respectively; but the highest growths were registered by Regions VII (Central Visayas), XI (Southern Mindanao) and CAR [Cordillera Autonomous Region].

Investment inflows into Region VII was ballooned 2,242 percent. [sentence as published] The NEDA report, however, did not specify the exact figures.

Meanwhile, the China Chan Yeng Energy Development Project for the rehabilitation of the Binga Dam worth P1.278 billion was the major factor in the growth of the Cordillera region. On the other hand, Region XI's top projects included the expansion of the PICOP [Paper Industries Corporation of the Philippines] forest plantation (worth P589 million); San Miguel Corp.'s P349 million corrugated carton boxes production facility; and, the P135 million Coir Dust & Fiber Philippines project in Davao City.

Only Region VI (Western Visayas) registered a decline in investments which NEDA surmised was due to the unusually high level of investments in the area last year.

Despite exporters' clamor against the strong peso, Mr. Habito noted exports were on the uptrend in Regions I (Ilocos), III, XI, VII, IX (Western Mindanao), and CAR, while export volumes in Regions VI, VIII (Eastern Visayas) and XII (Southwestern Mindanao) declined.

Mr. Habito noted an unusual phenomenon in Region I during the second quarter when the export of *saluyot* [jute mallow with edible leaves more or less resembling spinach] powder surged. "There seems to be a trend now in Japan, it could even take the place of *nata de coco* [coconut cream]," quipped Mr. Habito.

In the agricultural sector, there was an evident upsurge in rice production with an overall 36.6 percent growth rate. Region III accounted for 30.6 percent of total rice production but Regions VI and V (Bicol) posted the highest production growth rates of 121 percent and 90 percent, respectively. Corn production likewise increased by 14.5 percent even as Regions XI, II (Cagayan Valley) and XII accounted for more than half of the total production. Not far behind was the 8 percent growth in sugarcane production despite the shrinkage in area planted to sugarcane. Tobacco production in Region I also grew to 23,394 in the second quarter of 1994 from 13,129 metric tons a year ago.

In its preliminary assessment of the third quarter, NEDA believes the production uptrend will continue and prospects remain bright. "Both the domestic and export sectors are seen to benefit from increased demand abroad and locally although the strengthening of the peso against the U.S. dollar is a major concern raised by exporters. Business confidence remains high with a significant number of planned investments by both local and foreign investors."

The agriculture sector is likewise expected to reach its optimum production in the third quarter primarily due to the anticipated increase in hectarage planted, particularly to rice, said the report.

Thailand

Article Previews Third Chuan-Clinton Meeting

BK0711092594 Bangkok KRUNGTHEP THURAKIT in Thai 7 Nov 94 pp 1, 19

[Report by Aruni Phonnoi and Ratchaniphon Huangthong from Jakarta]

[FBIS Translated Text] During the Asia-Pacific Economic Cooperation [APEC] meeting in Indonesia Thailand will hold bilateral talks with the United States.

U.S. President Bill Clinton has scheduled a third personal meeting with Prime Minister Chuan Likphai. The two previous meetings between the two leaders were made during the last APEC summit in Seattle hosted by the United States and early last month at the White House, when the Thai prime minister made a stopover after completing his visit to Canada.

The most important issues in the talks are expected to concern two laws. These are the Thai-U.S. Treaty, which Thailand wants to revise but the United States does not want to, and the revision of announcement No. 281 by Thailand's revolutionary council.

The discussion is also expected to include Thailand's request to regain special privileges for 16 types of Thai goods in accordance with the United States' Generalized System of Preferences (GSP) and the speeding up of a review to remove Thailand from the United States' Priority Watch List (PWL).

After Thailand expressed its intention to revise the two laws, the United States showed evident concern.

That is because if a change is made to the Thai-U.S. treaty regarding facilities provided for U.S. investors in Thailand, this will affect the benefits for American businessmen, which are normally equal to those for Thai nationals.

The United States has reacted strongly by setting a condition for its talks with Thailand: that companies owned by American citizens will not invest in Thailand if Thailand still wants to revise the treaty.

U.S. Ambassador to Thailand David Lambertson has tried in every way to negotiate with ministers concerned to review the issue.

His efforts resulted in an unofficial meeting between Prime Minister Chuan and U.S. President Bill Clinton in Washington early October.

Participation in the inauguration of the Thai-U.S. Business Council and consultations on the APEC meet were claimed as reasons for that meeting.

According to statistics of the Board of Investment (BoI), as of the end of August 1994, the investment promotion granted to U.S. investors was worth a total of 8,106 million baht.

As of the end of August 1992 [as published], a total of 510 American companies or branches have operated their businesses in Thailand under the Thai-U S. treaty with a total registered capital of 3,249.81 million baht.

Suffice to say that the amount of U.S. investment in Thailand is still very small compared with that from other countries, especially Japan, and this is at a time when the ASEAN, China, and Indochina are enjoying economic booms which are the envy of the European Union and the United States. Regarding this, private sectors from western countries have gradually been investing more in this region during the past few years.

During the Vietnam War period, the United States exerted political and military influence in this region aimed at preventing countries in the region from becoming communist in accordance with the Domino theory. The United States therefore signed friendship treaties with various countries such as Japan, Thailand, the Philippines, and South Korea to protect the U.S. interests in these countries and also to facilitate U.S. investments in this region.

Although the Thai-U.S. treaty was signed 27 years ago, U.S. investors have not paid much attention to investment in Thailand. They have therefore let opportunities go by.

The U.S. Government now does not want to miss another opportunity. It wants to use the signed treaty to enable it to freely invest in Thailand, especially in several fields of business that Thailand may want to reserve for its citizens. According to the existing Thai-U.S. treaty, U.S. investors are allowed to invest here as if there were Thai citizens.

For nearly a year, in the talks on revising the Thai-U.S. treaty, the United States has therefore not agreed to the Thai request, despite the fact that the treaty allows a signatory country to make a request for changes.

Japan and Korea have not revised their treaties with the United States because in their friendship treaties certain types of business, which bar Americans from investing as their citizens do, have already been reserved. The Philippines is leaning toward requests for a revision of the treaty.

The most recent talks between Deputy Prime Minister Suphachai Phanitchaphak and Micky Kantor, chief of the U. S. Trade Representative (USTR) delegation, on a revision of the treaty therefore ended in a failure. The U.S. side did not accept the Thai request to set up a joint committee to revise the treaty.

The reason Thailand needs to revise this treaty is that Thailand has made a commitment with GATT [General Agreement on Tariffs and Trade] to maintain the treaty for 10 years. After that, changes must be made to comply with GATT rules so that other GATT members will not be able to ask for the same privileges currently given to the United States.

In the past, Thailand has been criticized by foreign investors for giving too many privileges to the United States. Even Japan, a major investor in Thailand, which achieved a total investment promotion privilege of 44,645 million baht at the end of August 1994, has also criticized Thailand on this point. Many other countries have also called on Thailand to revise the treaties under the same principle.

If Thailand fails to revise the treaty within 10 years, it must give the privileges granted to the United States to other countries as well. That means Thailand will lose its privilege as an independent country and its status and advantages in talks in the international trade forum will also decline.

No one can guarantee that if privileges are given to other countries the same as those given to the United States, more foreign investors will invest in Thailand.

The task for Prime Minister Chuan—to talk with President Clinton and convince him to accept the Thai request to set up a joint committee to revise the Thai-U.S. treaty—is a tough one. Chuan needs to have considerable negotiating skills and clear reasons to win U.S. acceptance.

Thailand has begun to have advantages that the United States needs to give it a base for its business expansion in this region. The Thai economy is growing and its local market is broadening to absorb more foreign goods. Several major U.S. companies are therefore interested in investing in this country.

Having joined with five other countries in the ASEAN group, Thailand's international political status is now much stronger than before. It is notable that Thailand has denied the U.S. request to establish its floating arms stockpile in the Gulf of Thailand. Such Thai action is rare.

At this stage, Thailand's position is quite advantageous. It may not have the clout that Japan has in its dealings with the United States, but the United States can no longer do anything it likes to Thailand due to the equality each has as an independent state.

Suphachai Urges ASEAN To Speed GATT Adoption

BK0511121594 Bangkok THE NATION in English 5 Nov 94 p B2

[FBIS Transcribed Text] Deputy Prime Minister Suphachai Phanitchaphak urged the members of the Association of South East Asian Nations (Asean) to actively accelerate the enforcement of a tariff reduction programme within the Asean Free Trade Area (Afta) within 10 years.

Speaking yesterday on "Afta: The Latest Developments," organized by The Thai Chamber of Commerce, he said if Asean fails to reduce the tariffs among its members, its raison d'etre will be eventually obsolete and soon will be superseded by the General Agreement on Tariffs and Trade (Gatt).

The conclusion of the Uruguay Round world trade talks under Gatt and the launch of the North American Free Trade Agreement (Nafta) and the Asia-Pacific Economic Cooperaton's (Apec) trade liberalization time frame, as well as the latest enlargement of the European Union, all have compelled Asean to speed up and broaden the Afta programme, Suphachai said.

Apec's direction of trade liberalization, he said, is not the country's priority at the moment, adding that the aim to create Afta as a truly free trade area by Jan 1, 2003 should, instead, be Asean's priority.

The acceleration of the realization of Afta is to be achieved by the following approaches. According to the normal track schedule, tariffs with rates higher than 20 per cent should be reduced to 20 per cent by Jan 1, 1998. Subsequently, they should be reduced from 20 per cent to 0-5 per cent by Jan 1, 2003. The Fast Track method will reduce tariff rates that are presently above 20 per cent to 0-5 per cent by Jan 1, 2000; and will reduce tariff rates that are currently at or below 20 per cent to 0-5 per cent by January 1,1998.

By that time the tariff rates of manufactured and agricultural products would be slashed to a maximum of 5 per cent, accounting for 85 per cent of the trade within Asean.

Suphachai reiterated that a considerable amount of capital investment is pouring into countries such as China, Vietnam and Burma because of the cheap labour costs, adding that ten years is the most appropriate timespan for Afta since by that time the integration and opening of the market would enable Asean to utilize its solid market base to generate exports globally.

With regard to the elimination of the Temporary Exclusion List, he said that products in the Temporary Exclusion List will be transferred to the Inclusion List in five equal annual installments of 20 per cent, the first installment shall be completed by Jan 1,1996.

Under the Thailand Initiative, nonprocessed agriculture products were proposed for inclusion in the Afta scheme for the first time. Thailand will stand to benefit from the scheme because it is a major food exporting country.

Recognizing the dynamic economic development of the region, Suphachai said that Asean must strengthen its cooperation in the intellectual property arena. The possibility of concluding an Asean Framework Agreement on Intellectual Property Cooperation—taking into account regional and international developments, including the interpretation and implementation of the Agreement on TRIPs [Trade Related Aspects of Intellectual Property Provisions]—will facilitate the future development of this area.

Moreover, he noted that the progress in Asean's economic relationships with its major trading partners should examine possible linkages with various regional trade groups to further enhance multilateral trade and globalization of the trade.

Alternative Urged to APEC Liberalization Plan

BK0711090194 Bangkok BANGKOK POST in English 7 Nov 94 p 4

[Editorial: "What Chuan Should Tell APEC in Bogor"]

[FBIS Transcribed Text] Top of the agenda at meetings of the Asia-Pacific Economic Cooperation (APEC) group over the coming week will be a proposal to set up some form of regional trade liberalisation.

The justification for doing so in APEC rather than globally is that the worldwide system of the General Agreement on Tariffs and Trade (GATT) has become too cumbersome. GATT, soon to be superseded by the World Trade Organisation (WTO), now has close to 130 members. The interests and concerns are so different that achieving agreement by the GATT consensus rule is becoming extremely complicated.

The argument is not to replace the GATT/WTO system with regional groupings. Rather, regional liberalisation should be used as a means of making global liberalisation easier to negotiate in a step- by-step sequence. Therefore, APEC liberalisation is described as "going beyond GATT". What was not achieved in the Uruguay Round of GATT talks should be attempted in APEC.

There is some sense in the argument. There is also sense in the warning that the argument could be a ruse by the richer APEC countries to put pressure on the weaker members. The debate in the United States over ratification of the Uruguay Round deal is ample proof of the pressures that exist.

In Thailand, leaders such as Deputy Prime Minister Suphachai Phanitchaphak have suggested that proposals for APEC liberalisation are vague enough and with sufficient loopholes to be unobjectionable.

In fact, the dangers could lie precisely in that vagueness. Dr Suphachai, Prime Minister Chuan Likphai, Foreign Minister Thaksin Chinnawat and Commerce Minister Uthai Phimchaichon should consider an alternative response as they prepare to fly to Indonesia.

The history of international trade negotiations shows that smaller countries are weakest when they simply press for vagueness, loopholes and special treatment. When they do that, they throw away any bargaining chips they might have used to ensure that their own specific interests are served. That is what happened over the decades when protectionism in textiles industries and agriculture were allowed to flourish. Third World exports suffered.

The GATT deal is better than no deal at all, but it is unbalanced. Smaller countries have had to accept a fast timetable for lowering tariffs, reforming intellectual property legislation, and liberalising services. The richer countries are allowed to drag their feet on textiles and agriculture. The poorer countries have even greater justification than the rich in saying the GATT deal is not enough.

What Mr Chuan and Dr Suphachai will make clear in Jakarta and Bogor is that APEC liberalisation will only be acceptable if priority is given to areas of interest to Thailand and ASEAN. Their demands should be specific.

Going beyond GATT would mean a commitment by the United States and other developed countries to ensure that over the 10 years when textiles quotas are to be phased out under GATT, those imposed on categories of products that ASEAN exports will be removed first, not last.

It would mean a commitment by the United States, Japan and others to lower trade barriers and subsidies on rice, sugar and other agricultural products beyond the commitments of the Uruguay Round.

It would mean that in the spirit of an APEC "community" or "large family" or whatever the favoured phrase might be, any agreement to set up a dispute mediation service in APEC should include a commitment by the powerful not to use might-is-right unilateral measures against the weak, such as Section 301 or other clauses of US trade law, or arbitrary actions against alleged dumping.

This approach would not only state clearly Thailand's and ASEAN's terms for accepting a liberalisation goal. It would allow ASEAN to forge alliances with Japan, China and South Korea on Section 301 and textiles, and with Australia and New Zealand on agricultural subsidies.

ASEAN should not fear US wrath. The Americans need to be accepted on this side of the Pacific just as much as the Asians need to export to North America. The US fear of "lines down the middle of the Pacific" is a trump card the Asians should exploit. If the United States wants to be part of the Asia Pacific it has to give more than it takes.

It will not be possible to negotiate commitments such as these in the statement to be issued in Bogor next Monday. But it will be possible to put these concerns on the record.

And rather than accepting the broad goal of liberalisation by 2020, or wording along the lines of "we have instructed our officials to study the options", Mr Chuan and Dr Suphachai should insist that the statement makes clear that the liberalisation goal is only accepted conditionally.

The APEC economic leaders should state that a Pacific family requires the better off to yield more. They should say they understand that unless the developed countries give priority to areas of concern to developing country APEC members, any attempt to liberalise beyond the

GATT/WTO agreements on trade and investment will be unacceptable to the developing country members.

Editorial Advocates 'GATT-Plus' Role for APEC

BK0711091794 Bangkok THE NATION in English 7 Nov 94 p A6

[Editorial: "Big Choices Await in Bogor"]

[FBIS Transcribed Text] In the run up to last year's Apec [Asia-Pacific Economic Cooperation] leaders summit in Seattle, much of the talk in Southeast Asia was about resisting perceived US efforts to institutionalize the trade forum.

One year later, those fears have subsided, or perhaps more accurately, been superseded by new worries that have arisen as the world economy continues to transform and re-align itself at breathtaking pace. Among the chief concerns for many Asean states is maintaining their ability to attract foreign capital as India begins to rise in the West, Nafta takes shape to the east and Vietnam stirs next door.

Suddenly, those investment and trade links with East Asia and the United States that allowed Southeast Asia to prosper look like they could do with a little more rigidity.

Until now, most of the press attention surrounding this year's summit has been focused on a proposal that would have been met with derision 12-months ago: to make Apec an unformalized free trade area by the year 2020, or consensus allowing 2010.

At first glance, the plan appears flawed by over ambition but a second look suggests why so many of the Apec governments—with Malaysia a predictable dissenter—have fallen in line behind it. 2020, or even 2010, is still a long way off. A look back just 16 years shows just how fast things can change. In 1978, who would have predicted the fall of communism and the disintegration of the Soviet empire, the economic rise of China, East and Southeast Asia, the end of apartheid, or even environmentalism's emergence as a force. Also, by 2003, Asean states will have already brought their own tariffs down to between zero and five percent under the Afta [ASEAN Free Trade Area] plan and so even a date as early as 2010 looks "do-able".

The Vision 2020 paper, produced by Apec's so-called wise men, promises billions of dollars in extra trade. But as stockbrokers are fond of saying, greed and fear drive markets, but it is fear that is the ultimate mover. What is bringing the countries of the Asia Pacific together, is not so much the desire to enjoy the benefits of close cooperation as the fear of losing out in this new age of globalized and trade-bloc economics.

This, of course, is not to say that much good can not be done by the momentum building around Apec.

The attention on a deadline for a free trade programme is misplaced though. In the 16 years ahead there is time for at least two more rounds of talks under the Gatt, a body which can more equitably and with less distortion bring down global trade barriers. What Apec can do, however, is serve as what some of its proponents have called "Gatt-plus"—a body to enhance the new World Trade Organization and concentrate on topics of peculiarly Pacific interest.

Some of these are economic, such as developing standard customs clearance procedures. Customs clearance is a major yet little talked about hindrance to trade. The harmonization of product standards is another process that could boost interregional trade. Elsewhere, there is Apec's Committee on Trade and Investment, which is working on the establishment of an investment code that will be of crucial importance to the developing countries of the Pacific Rim and yet its work has gone on mostly unnoticed.

There is also a host of nontraditional economic areas that deserve attention. Developing countries banded together in the final days before the signing of the Gatt accord to ensure no "social clauses" were added to the agreement. But while these countries have succeeded for now in keeping such issues out of global trade talks, they will eventually have to be addressed and Apec is a good place to start. To continue to make a distinction between trade and the environment is short-sighted and dangerous. A prime example is fisheries, an area of acute concern to many Pacific nations and one that urgently requires international action if the ocean's stocks are not to be irretrievably depleted.

Perhaps the most critical role of Apec is its founding purpose: to build bridges across the Pacific.

The formation of the European Union may have been the spark that pushed the US to form Nafta but it should not be forgotten that the exclusive trade area is aimed at Asia. It's source of origin rules, for example, were written by the big three auto makers in Detroit with the intention of hurting the competitiveness of Japanese makers.

Apec leaders say they enjoy the opportunity provided by the forum to get together in a way they are denied in other more formal occasions. Such words about fostering community spirit are easily dismissed as political platitudes but in the Pacific, the juncture of East and West, they now carry a weighty importance.

Government Denies Supporting Khmer Rouge

BK0711125694 Bangkok Voice of Free Asia in Thai 1030 GMT 7 Nov 94

[FBIS Translated Text] The Foreign Ministry spokesman has rejected the allegations about Thailand's relationship with the Khmer Rouge. This afternoon, Suwit Simasakun, the director general of the Information Department and Foreign Ministry spokesman, held a news conference for members of the mass media at the Information Department's Information Center.

[Begin Suwit recording] Reports and articles in several foreign papers, particularly in Australia, and later in the Thai press have tried to link the Khmer Rouge murder of Australian, French, and British nationals in Cambodia to the effect that Thailand must be held responsible for the incident. They have charged that Thai officials and certain Thai groups continue to support the Khmer Rouge. In addition, there is also a report that the Australian foreign minister said that Khmer Rouge leaders have been living in Thailand and that the Khmer Rouge have been regrouping on Thai territory before returning to operations in Cambodia with the aid of certain Thai people. An Australia-originated report also said that the Australian foreign minister is confident that the Thai Government had no involvement with the Khmer Rouge.

The aforementioned reports appear to contradict each other. First, the Foreign Ministry wishes to inform you that the Thai side condemns acts which cause loss of life and does not condone violence. At the same time, the Foreign Ministry reiterates that Thailand has a firm policy of recognizing the elected Cambodian Government, of not interfering in the internal affairs of Cambodia, and of not providing any support to the Khmer Rouge, which it has not done for some time. (?All sides) know well that the Thai Armed Forces and the Thai Government have dealt drastically with people who have had contacts with or assisted the Khmer Rouge.

I wish to say that the unfounded allegations as presented by the Australian media are highly inappropriate, are unfair to Thailand, and do not contribute to the Thai Government's efforts to promote good relations with Cambodia. We have tried to create good relations and solve problems, but the said media has tried to negate our efforts. We cannot tolerate this. What we want is for Cambodia to achieve peace and rejoin the Southeast Asian community. Thailand's goal is to develop the economy of the region for the prosperity of the whole region and Thailand.

The Foreign Ministry repeats that if the people who made the allegations have evidence and witnesses to prove which Thai individuals provided assistance to the Khmer Rouge, they are requested to present them to the Foreign Ministry and the Thai Government immediately. The Thai Government is very unhappy with the unfounded allegations. The Thai side regrets the loss of lives, but at the same time it does not appreciate being a victim of unfounded allegations. [end recording]

Chuan on Cambodian Pardon for Thai Suspects

BK0511124694 Bangkok Radio Thailand Network in English 0000 GMT 5 Nov 94

[FBIS Transcribed Text] Prime Minister Chuan Likphai said the arrest of suspected Cambodian coup plotters General Sin Song and his subordinates in Bangkok by the Thai police had no connection with the release and pardoning of nine Thais from Cambodia recently. The prime minister said the arrested Cambodians will be charged under the Thai law. He said the Thai Government has no right to charge anyone for crimes committed elsewhere under the laws of other countries.

Meanwhile, Deputy Foreign Minister Surin Phitsuwan said the arrest of the Cambodian fugitives has been possible through the cooperation between the Prime Minister's Office and the Police Department. Mr. Surin said investigation into the matter will be carried out quickly so that confidence and trust can be restored between Thailand and Cambodia.

Cambodia Clears Thaksin; Sin Song Offered Asylum

BK0611091094 Bangkok THE SUNDAY POST in English 6 Nov 94 pp 1, 3

[FBIS Transcribed Text] The Cambodian government does not suspect involvement by Foreign Minister Thaksin Chinnawat or his International Broadcasting Corporation in the coup attempt in July.

France has meanwhile agreed to grant political asylum to former Cambodian interior minister Gen Sin Song and four colonels implicated in the coup attempt, Interior Minister Chawalit Yongchaiyut said yesterday.

Phnom Penh, in a statement from Phnom Penh, said Second Prime Minister Hun Sen told Thai Charge d'Affaires Chirasak Thanetnan on Thursday that he believed Mr Thaksin and the company had nothing to do with the July 2 incident.

"Hun Sen clearly stressed that His Excellency Thaksin Chinnawat and IBC had nothing to do with the incident," the statement said, adding only one "IBC person" was involved in the coup bid on an "individual" basis. This is an apparent reference to Kraiwat Siwuthiwong, the IBC representative who won a 99-year contract for the cable television network owned by the Chinnawat Computer and Telecommunications Group.

Mr Thaksin, founder of the Chinnawat Group, faced strong criticism when he was nominated by the Phalang Tham Party as foreign minister. Critics claimed IBC might have been involved in the coup bid. Hun Sen earlier claimed Mr Kraiwat was among a number of Thais, state officials and businessmen, who played a key role in the attempt.

Yesterday's statement also said Hun Sen told Mr Chirasak of his government's request for Thailand to send back Gen Sin Song and his four aides. Gen Sin Song was tried in absentia and sentenced by a military court to 20 years' jail for allegedly being the coup leader. However Gen Chawalit said France had granted Sin Song asylum and the cabinet would decide the issue on Tuesday.

Prime Minister Chuan Likphai said in Nakhon Si Thammarat, where he presided over a tod krathin [robe presentation to monks] ceremony that the Foreign and Interior ministries would consult one another tomorrow about what to do with Gen Sin Song. He had not received an official letter from Gen Sin Song seeking asylum in France but had received letters from the two Cambodian co-prime ministers asking Thailand to return the general.

"The Foreign and Interior ministries will make a proposal and I will see it first. For now, I have asked the authorities to look after Gen Sin Song since he is a senior military officer of Cambodia," Mr Chuan said. It was not necessary for the Cabinet to be involved in making the decision.

The General and his four aides have been held by Immigration Police since their conviction by Bangkok District Court on Friday on charges of entering Thailand illegally. They were given a suspended two-month jail sentence and fined 2,000 baht each.

Mr Chuan said Thai law would have to be consulted to see what could be done with the general. Thailand and Cambodia had no extradition agreements.

Army Commander-in-Chief Wimon Wongwanit said relations between Thailand and Cambodia should not be adversely affected if Gen Sin Song was allowed to go to France. He had been convicted of a political crime.

Although the matter was for the Government to decide, he thought Gen Sin Song could be allowed to go to France since his offence was political.

"I don't think there will be a problem between Thailand and Cambodia. They would understand because asylum would take away Gen Sin Song. He won't be in Cambodia and cannot cause problems," Gen Wimon said.

Immigration Police commissioner Pol Lt Gen [Police Lieutenant General] Kiatisak Praphawat said Gen Sin Song and his aides had formally notified the Thai Government of their bid for asylum in France. They wrote a letter, in English, to the French Embassy in Bangkok, requesting asylum. A squad of anti-riot police from the Metropolitan Police Bureau was sent to the Immigration Police detention cell in Soi Suan Phlu yesterday to boost security for the Cambodians. A police source said the five might be transferred to the Police Privates' School cell in Bang Khen if they were not deported to a third country in one or two days. Police were waiting for an instruction from the Government.

Pol Lt-Gen Kiatisak said he had appointed his deputy, Pol Maj-Gen [Police Major General] Wira Phithakphon, to head a team to investigate the four Thais who were arrested along with Gen Sin Song when police raided their hideout in Huai Khwang, Bangkok. The four Thais were charged with violating the immigration law by providing sanctuary and assistance to the fugitives.

Some government officials and politicians had provided sanctuary and help for Gen Sin Song and his group, said a police source involved in the investigation. Investigators knew the owner of the house which was used as a hideout, the source said.

In Cambodia reports of the arrest of the coup plotters was welcomed by the Khmer Rouge. The faction's radio monitored in Bangkok said the arrest of Gen Sin Song would permit the "dismantling of his criminal scheme" to attack the Khmer Rouge.

Legal Aspects of Sin Song Case Being Examined

BK0511104994 Bangkok THE NATION in English 5 Nov 94 pp A1, A4

[FBIS Transcribed Text] The foreign and interior ministries have been instructed to examine all the legal aspects of the different options for dealing with Cambodian coup fugitive General Sin Song, Prime Minister Chuan Likphai said yesterday.

Bangkok's North District Court yesterday tried and sentenced Sin Song to a suspended jail term of two months for his illegal entry into the Kingdom, as well as fining him.

Sin Song has made requests through the Interior Ministry for political asylum either in France, the United States, Mexico, Vietnam or Thailand, in order of his preference. Interior Minister Gen Chawalit Yongchaiyut has already rejected the possibility of him staying in Thailand.

Chuan did not say if Thailand would repatriate the former Cambodian interior minister, as requested by Cambodia, or allow him political asylum in a third country, as requested by Sin Song. The premier said Thailand will proceed with the case within Thai jurisdiction but that it also has to respect and abide by international laws and conventions.

Chuan said he has already received an official letter from Cambodian co-Prime Ministers Prince Norodom Ranariddh and Hun Sen requesting the repatriation of Sin Song.

Informed sources said Chuan had instructed that Thai Ambassador to Cambodia Sakthip Krairoek should have returned to Cambodia yesterday to present Thailand's position on the request, but the trip was rescheduled for next week to give Thai authorities more time to consider the impact of the different options on Thai-Cambodian relations. According to the sources, if Thailand refuses Sin Song political asylum, repercussions in the international community with regards to international human rights laws could follow.

"We have to explain to them (Cambodian government) that we must also consider a third country's agreement to grant political asylum to Sin Song," one source said.

Emerging from the court room yesterday, Sin Song told reporters that he preferred to go to France and would bring his four followers with him, but did not say whether France had agreed to his request. Sin Song claimed he should have the same rights as co-coup maker Prince Norodom Chakkrapong who was granted political asylum in France after he escaped arrest by fleeing to Malaysia on the day after the July coup was thwarted.

On the same day, Sin Song was immediately arrested and detained under strict surveillance, but managed to escape from prison in early September and flee across the border into Thailand.

A Cambodian military court last Friday tried and sentenced both him and Prince Norodom Chakkrapong in absentia to suspended 20-year jail sentences.

Chawalit yesterday confirmed that Sin Song had already submitted his request for political asylum in a third country. He said the matter will need Cabinet deliberation and that he has asked the Thai Foreign Ministry to consult with those countries on their willingness to accept the Cambodian. He said it is unlikely that Thailand will grant political asylum to Sin Song for fear of jeopardizing Thai-Cambodian relations, but Thailand cannot deport Sin Song as this would go against international laws by which the Kingdom abides.

Echoing Chuan's words, Foreign Minister Thaksin Chinnawat yesterday told reporters "the Sin Song case will be handled in accordance with Thai law. We also have no intention of violating international laws and practices, particularly those relating to basic human rights".

The newly-appointed minister was responding to critics who have pointed out that it would be a violation of basic human rights for Bangkok to deport Sin Song to Cambodia.

Thaksin's deputy, Surin Phitsuwan, has said the Thai government wants to handle the Sin Song case fairly but is anxious to avoid offending the Cambodian government and souring bilateral ties. Thaksin said his ministry's Legal and Treaty Affairs Department and the Interior Ministry were still studying the procedure for granting political asylum to a foreign national.

Although under Thai law the Interior Ministry has the power to allow a foreigner to enter or extend his stay in the Kingdom, an international legal expert said yesterday that if Sin Song requests sanctuary here, the Interior Ministry will have to liaise with the Foreign Ministry before making its final decision.

The legal expert added that if Sin Song asks for asylum in a third country, the Foreign Ministry could assist him by forwarding the request to that country's embassy in Bangkok.

"This case will have to be handled in accordance with Thai law. However, there's no doubt that political discretion will play a part in the final decision," the expert said.

Roland Eng, the Cambodian ambassador to Thailand, confirmed yesterday that his government had already submitted a formal request to the Thai government asking for the General's return.

"At the moment, the Thai embassy in Phnom Penh and my government are studying the details of Cambodia's request," the Cambodian envoy said.

Editorial on Arrest of Cambodian Coup Leader

BK0511143994 Bangkok MATICHON in Thai 5 Nov 94 p 2

[Editorial: "Difficult To Swallow"]

[FBIS Translated Text] Once again the Thai Government has been put into a difficult situation. This time it concerns the arrest in Thailand of a Cambodian general who is a rebel leader. It also involves a political party which is a partner in the government coalition. The party will have to clear itself from all suspicion of involvement in the failed coup in Cambodia, otherwise the Thai Government will be blamed for contradicting its own policy. Another task facing the government is how to chose the best possible option in tackling the case of the arrested Cambodian general. On this matter, Thailand is being judged by international circles.

Regarding the suspicion that a coalition party—whose members may even have given shelter to the Cambodian general while in Bangkok—was involved in the Cambodian coup attempt will it be possible for the political party in question to clear itself of charges regarding involvement in the Cambodian coup? If the party cannot clear itself of the suspicion, the problem will continue to plague the government.

Any involvement by a certain political party in the Cambodian coup would contradict the government's stated policy of noninterference in the internal affairs of neighboring countries. When members of a coalition party do not abide by the government's stated policy, it means they have tarnished the image of the entire government. Other countries will look at the government negatively. Any party which has caused trouble to the coalition in this manner should purge itself; otherwise, the image of the party will be tarnished, as will that of the entire government.

Next, what action should the government take regarding the Cambodian rebel general? Should it grant him the political asylum to which he is entitled, return him to the Cambodian Government as requested, or expel him to a third country in keeping with the international practice of not sending a a political prisoner back to the country of origin? Other countries are watching what the Thai Government will do with the Cambodian rebel general after his arrest by the Thai police. Thai police had earlier arrested the leader of the Al Arqam sect and sent him back to Malaysia. This has stirred up critics in international circles.

No matter what, the government must opt for the action which is in the interests of the nation. Regarding the Al Arqam leader, the police took action in arresting him and handing him to the Malaysian Government. Yet, there was a suspicion that the police had received a green light from the government. The action helped further the good relations between Thailand and Malaysia. Such is also possible in the case of this Cambodian general. The government should be able to figure out what will be the best approach to protect the interests of Thailand. While the Cambodian Government might be displeased, the international community might hail Thailand if we chose to expel him to another country. However, Thailand's international image will worsen if we chose to please Cambodia. It remains to be seen which option the government will choose.

Probe Launched Into Smuggling of Coup Suspects

BK0511121794 Bangkok THE NATION in English 5 Nov 94 p A3

[FBIS Transcribed Text] Police chief Phot Bunyachinda confirmed yesterday that a senior immigration officer, who was suddenly transferred to an inactive post, was suspected of being involved in the smuggling of five Cambodian coup suspects into Thailand.

On Thursday, a reliable police source said Pol Col [Police Colonel] Wiphat Naraphiromkhwan, chief of immigration sub-division 4, had been moved to an inactive post at Border Patrol Police Headquarters as a consequence of failing to prevent the five Cambodians entering the country. The source said Wiphat was transferred to headquarters due to an urgent order issued by Phot on Thursday.

Phot, when asked to confirm the report, said yesterday that Wiphat had been implicated by some of the nine suspects—five Cambodians and four Thais—arrested on Wednesday.

"Wiphat will face an investigation. We can't say at the moment whether he's guilty or not," the police chief said.

Meanwhile, opposition leader Banhan Sinlapa-acha asked the government to get to the bottom of the alleged Thai involvement in the failed Cambodian coup. But he predicted that the government might end up finding itself in another "Saudi jewelry" situation.

"The opposition will sit back, watch and listen. We want to see whether the government can do something. If not the story will end up like the Saudi jewelry case, in which despite all the fuss there has been almost no progress," Banhan said.

Vietnam

'Possibility' Seen of Normalized U.S. Ties

BK0711113594 Hanoi Voice of Vietnam in English 1000 GMT 7 Nov 94

[Station commentary]

[FBIS Transcribed Text] Relations between Vietnam and the United States of America have developed positively, especially since the lifting of the United States embargo in February. The two countries have made continuous arrangements to open liaison offices in both countries. Technical preparations are underway. At the same time, the two sides conducted two rounds of talks in Hanoi and Bangkok to settle outstanding property claims in each country. A third round of talks is due to start soon to sign an agreement on the fate of these properties. Last September, a delegation from the United States led by the assistant to the United States secretary of state came to Vietnam to consider the location of the office and residential area for the U.S. Liaison Office in Hanoi. Another delegation from the Vietnamese Foreign Ministry went to the U.S. for the same purpose. Officials from both sides confirmed that the establishment of liaison offices did not face any great obstacles. Another important event has been the decision by the United States Congress to lift the ban on direct aid to Vietnam. Economic relations between the two sides also have improved, with an increasing number of United States companies now doing business with Vietnam. U.S. investment in Vietnam increased from $2.5 million to $171 million. Now the United States ranks 13th among foreign investing countries in Vietnam.

However, current development is still very modest. The United States has not granted any investment protection to those U.S. companies who are now doing business in Vietnam and no favorable condition has not yet been provided. The main reason is that the two countries have not completely normalized relations.

Nevertheless, developments so far have shown the possibility of the normalization of relations between Vietnam and the United States.

Prime Minister at Meeting on India Cooperation

BK0511155794 Hanoi VNA in English 1532 GMT 5 Nov 94

[FBIS Transcribed Text] Hanoi VNA Nov. 5—A meeting was held here recently by the Government Office to discuss measures to strengthen the economic, commercial, cultural and scientific-technical cooperation between Vietnam and India in the presence of Prime Minister Vo Van Kiet. The meeting was chaired by Mr. Nguyen Manh Cam, foreign minister and president of the Vietnam sub-commission of the Vietnam-India Joint Commission for Cooperation.

Speaking at the meeting, Prime Minister Vo Van Kiet noted that the agreements reached by the two countries during Indian Prime Minister Narasimha Rao's Vietnam visit in early September 1994 while reflect the two governments' and peoples' aspiration and determination to further consolidate and strengthen their fraternal traditional friendship and cooperation on the basis of renovation, aim to broaden and raise the effectiveness of the bilateral economic, commercial, cultural, scientific-technical cooperation. [sentence as received] He urged the Vietnam-India Joint Commission to renovate its activities for effective results. He stressed that all branches, particularly agriculture, forestry, maritime products and manufacturing, should establish long-term cooperation programmes with India to better contribute to the renovation process in Vietnam as well as the economic reform in India.

Defense Minister Concludes Visit to Malaysia

BK0611145394 Hanoi VNA in English 1341 GMT 6 Nov 94

[FBIS Transcribed Text] Hanoi VNA Nov. 6—The Vietnamese military delegation led by Defence Minister General Doan Khue concluded a 7-day official visit to Malaysia yesterday.

During the visit, the Vietnamese delegation met with a delegation of the Defence Ministry of Malaysia and visited some military establishments including the institute [words indistinct] Armed Forces and the [word indistinct] Malaysian Air Force Base and the Lumut Naval Base and the Udang Special War Training Centre.

The visit of the Vietnamese delegation, the first of its kind, has helped promote the mutual trust and understanding in the friendly and cooperation relations between the Defence Ministries and Armies of the two countries.

Defence Minister General Doan Khue invited his Malaysian counterpart Mr Datuk Sri Mohamed Najib to visit Vietnam. The invitation was accepted with pleasure.

Cambodia Asked To Observe Transport Agreement

BK0511160594 Hanoi VNA in English 1532 GMT 5 Nov 94

[FBIS Transcribed Text] Hanoi VNA Nov. 5—For the smooth transport of goods in transit, ships and vessels of Cambodia while passing Vietnam's territories need to strictly observe the provisions as stipulated in the agreement on goods in transit signed on April 3, 1994 by the two countries, Vietnam's Ministry of Commerce says in a press statement today.

The press statement continues by saying that since the agreement took effect, particularly in recent months a number of Cambodia's vessels transporting goods in transit through Vietnam have not observed provisions stipulated in the agreement as they did not apply for transit licence by the Vietnamese Ministry of Commerce and intentionally transported goods which are banned by Vietnam.

It further said that due to the Cambodian vessels' violation of the two governments' agreement, especially those vessels said in the October 29, 1994 press statement by the Cambodian Ministry of Transport, Vietnamese responsible agencies had to detain those vessels for resolving. [sentence as received]

The Vietnamese Ministry of Commerce requested Cambodian responsible agencies to issue necessary announcements and guidelines in order to help Cambodian agencies and businesses which take part in transporting goods in transit through Vietnam to strictly observe the Vietnam-Cambodia agreement.

'Wishing to further broaden the cooperation between the two countries on the basis of equality and mutual benefits, the Vietnamese Ministry of Commerce hopes that the two sides would further strengthen mutual cooperation and assistance, ensuring the strict implementation of the signed agreement so that similar cases do not happen' the press statement stressed.

Newspapers Mark Russian October Revolution

BK0711074594 Hanoi VNA in English 0658 GMT 7 Nov 94

[FBIS Transcribed Text] Hanoi VNA Nov. 7—Today's newspapers publish several articles and photos to mark the 77th anniversary of the Russian October Revolution (Nov. 7, 1917).

The leading daily NHAN DAN carries a frontpage article by Vu Huu Ngoan, which stresses 'The October Revolution is a revolution aimed at abolishing the exploitation of men by men, gaining the right to master the society to the working people, bringing peace to nations, and satisfying the aspiration of progressive mankind'.

After analysing the great significance of the revolution, the article affirms:

'Even though the world's first socialist state in the homeland of the October Revolution is no more, it is not for this reason that the trend of our time could be reversed—the trend for the working class, the working people and oppressed nations standing up, struggling for their right to master their destiny, building a new society free from slavery and oppression, a new society whose economic growth is closely connected with social progress and equality'...

'The ongoing renovation process in Vietnam', the paper continues, 'is a continuation of the revolutionary cause being carried out for more than the past fifty years. It is another step the path chosen by President Ho Chi Minh. That means we are following the path of the October Revolution'.

For its part, the army paper QUAN DOI NHAN DAN carries out the article of Prof. Do Tu highlighting the 'bright spirit of the October Revolution'.

The article stresses that the realistic experience and lessons from the October Revolution continue to have great significance.

'In our country at present, the inheritance and application of the October Revolution's spirit are cemented with the implementation of the 7th party congress resolution and the resolution of the 7th party plenum on national industrialization and modernization in order to step by step build Vietnam into a rich, powerful, equal and civilized community', the paper concluded.

Visit by Japanese Government Delegation Hailed

BK0411140494 Hanoi Voice of Vietnam in English 1000 GMT 4 Nov 94

[Station commentary]

[FBIS Transcribed Text] A high-ranking Japanese Government delegation led by Mr. Akitane Kiuchi, adviser to the Japanese Prime Minister, visited Vietnam in late October. The delegation comprises 24 senior officials of various ministries and economic institutions. Here is our comment:

The visit by the Japanese delegation was determined to see economic development in Vietnam and to study how Vietnam has used Japan's official development aid [ODA]. Japanese senior officials wanted to put into practice the framework for bilateral cooperation reached in September following the visit to Vietnam by the Japanese Prime Minister.

According to Mr. Akitane Kiuchi, the delegation was impressed by Vietnam's economic reform and the measures taken by the Vietnamese Government for national development. They all admired the creativeness and industriousness of the Vietnamese people. The Japanese head delegate also hailed Vietnam's efforts in curbing inflation, boosting the economy, and effectively using official development aid.

Also during the trip, Vietnam and Japan reached agreements in economic and technical cooperation, especially for the development of human resources, energy, transport, public health, education, and environment protection.

The Japanese officials disclosed that Japan plans to increase the ODA for Vietnam. Mr. Kiuchi said: The Japanese Government will create favorable conditions so Vietnam could soon receive the aid. A detailed plan to assist Vietnam will be dealt with at the donor conference to be held in Paris on November 15-16.

Foreign Radio Program Director Delivers Apology

BK0411143994 Hanoi VNA in English 1349 GMT 4 Nov 94

[FBIS Transcribed Text] Hanoi VNA November 4—Radio Veritas Asia, Manila, the Philippines, has apologized to Vietnam for having criticized and offended the Episcopal Council of Vietnam, the Vietnam state and its leading officials in its programme in Vietnamese on the 20th of September.

In a letter to Mr. Vu Quang, head of the Commission for Religious Affairs of the Vietnamese Government, Bishop Pietro Nguyen Van Tai, programme director of Radio Veritas Asia, said "I'd like to be responsible and sincerely apologize your excellency and respectfully ask your excellency to convey my apology to the leaders of the state of Vietnam."

After justifying that those ill-intentioned words were only the private opinion of an editor of the Vietnamese-language programme and "were not incited by any group of people, and definitely not suggested or permitted by the Vatican to do such a negative deed", Bishop Pietro Nguyen Van Tai continued, "I only wish that those bad words will not destroy the positive relationship built over many years between the Vietnamese Government and the Vietnam Catholic Church as well as between the Vietnamese Government and the Vatican".

In his letter to Bishop Nguyen Minh Nhat, president of the Vietnam Episcopal Council, and other leaders of the Vietnam Catholic Church, Bishop Pietro Nguyen Van Tai apologized for the ill commentaries and expressed his hope that it will not spoil religious activities or cause harms to the activities of the Vietnam Catholic Church.

Vo Van Kiet on Importance of Oil, Gas Industries

BK0711073594 Hanoi VNA in English 0651 GMT 7 Nov 94

[FBIS Transcribed Text] Hanoi VNA November—The Vietnam Oil and Gas Corporation (Petrovietnam) has so far struck 27 production-sharing contracts with foreign companies and is now triving to get 20 million tonnes of oil by the year 2000, Director General of Petrovietnam Ho Sy Thoang said at a recent meeting here.

Prime Minister [P.M.] Vo Van Kiet and Deputy P.M. Tran Duc Luong attended the working meeting which focussed on the direction and the organization of Petrovietnam.

'Nearly 30 million tonnes of crude oil have been tapped at Bach Ho (White Tiger) field by the Vietnamese-Soviet oil and gas joint venture enterprise (Vietsovpetro)', said Dr. Thoang, adding that Vietsovpetro is planning to get more than one billion cubic metres of associated gas. Rong (Dragon) oil field is expected to be pumped by the end of 1994.

Mr. Thoang also revealed that the Australian International Oil Company BHP put Dai Hung (Big Bear) field into oil production on October 14, 1994 with an output of some 25,000 barrels per day. The Bach Ho-Vung Tau pipeline is expected to be completed by the end of this year which will possibly bring ashore one million cubic metres of gas per day. At the moment a feasibility study on the constrution of the first oil refinery is being conducted. The joint venture refinery will have a capacity of 6.5 million tonnes per year.

Speaking at the meeting, P.M. Kiet stressed that the oil and gas industry should have a key role in the national economy. Although, a fledging industry, it has gained considerable achievements in production, business and facilities construcion, thus making an active contribution to national construction and defence.

Regarding its directions, P.M. Kiet said Vietnam's oil and gas industry should be restructured so that can carry out oil and gas exploration and exploitation, storing, processing and marketing oil and gas and other products domestically as well as internationally.

Further on Vo Van Kiet Remarks

BK0711151994 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 6 Nov 94

[FBIS Translated Text] In Hanoi on 5 November, Prime Minister Vo Van Kiet and Deputy Prime Minister Tran Duc Luong held a working session with the Vietnam Oil and Gas Corporation [PetroVietnam] and representatives of ministries and sectors at the central level to discuss the orientations, tasks, and organization of PetroVietnam.

After listening to reports on PetroVietnam's organization and activities and the plans to perfect its management mechanism as well as the viewpoints of representatives of ministries and sectors in this regard, Prime Minister Vo Van Kiet delivered a speech stressing the significant role of the oil and gas industry in general and that of PetroVietnam in particular in developing the national economy. He said: Oil and gas is a nascent industry in Vietnam, yet its potential is great. In past years, in an effort to participate in the national development program, the oil and gas sector greatly contributed to the building, production, and business domains, thereby positively enhancing the cause of national construction and defense. The sector has quickly become mature and is surging forward to reach an internationally accepted standard. It has striven to improve tasks related to the exploration, exploitation, storage, transportation, processing, distribution, and selling of oil and gas products. With the existing material-technical bases and the contingent of scientists and technicians, PetroVietnam has created a firm prerequisite for the new stage of development of the Vietnamese oil and gas industry.

Regarding orientations for the days ahead, the Prime Minister stressed that the oil and gas industry is a special domain and that PetroVietnam is considered by the government as a special state enterprise. It is imperative for the corporation to formulate a long-term development strategy with emphasis laid on combining oil and gas development with the maintenance of national defense and security. The corporation must contribute to protecting the national sovereignty and territorial integrity while striving to build itself into a business management organization with a financial autonomy so as to be able to satisfactorily fulfill the assigned tasks and maintain its reputation as an important economic sector of the national economy.

From now to the year 2000, the oil and gas sector must strive to perfect its structure while improving its research, exploration, exploitation, processing, storage, transportation, distribution, and selling of oil and gas products in markets at home and abroad. Regarding PetroVietnam's organization, the Prime Minister agreed that it should be built into a strong economic cartel as stipulated in decision No. 91-PTT. He urged PetroVietnam and the agencies concerned to perfect the regulation on its organization with contents in line with the new management model.

Chairman Nong Duc Manh Attends Memorial Ceremony

BK0711101294 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 6 Nov 94

[FBIS Translated Text] As has already been reported, on 4 November, Comrade Nong Duc Manh, member of the Political Bureau and chairman of the National Assembly, joined the party organization and multiethnic people of Lang Son Province in attending the 85th birthday of Comrade Hoang Van Thu and a ceremony held to unveil a memorial for him.

On the same day, Comrade Nong Duc Manh visited the home village of Comrade Hoang Van Thu, a village named after him in Yen Lang district, where he burnt incense in memory of the first communist party member of Lang Son.

Chairman Nong Duc Manh and a delegation from Hanoi's Hai Ba Trung precinct—the place where Comrade Hoang Van Thu died heroically facing the enemy's gun barrel—planted indigenous scent-bearing trees of Lang Son such as anise and cinnamon with a high economic value.

Afterward, Chairman Nong Duc Manh met with voters of Hoang Van Thu village. The chairman said: Hoang Van Thu is a village with a persistent revolutionary tradition. The village is credited with considerable contributions to national liberation and unification and with remarkable achievements in the renovation process. The party organization and people of Hoang Van Thu village must protect and preserve their revolutionary tradition for today's generation and for posterity. Today, the native village of Comrade Hoang Van Thu is very different from what it was in the past. It has roads, schools, health stations, and electricity from the national power grid. However, many households still suffer from food shortages and children still have to attend school in split shifts. The village's rice output is lower than in many other localities. Therefore, the cadres and people of the village must strive to discard single annual harvests of water rice.

In addition to making investments in technology and varieties of new rice, the village must strive to step up the movement to deliver forests and forest land to the people for management and to guide the people in doing forestry-based economic business while upgrading livestock breeding into a main occupation. At present, almost all the village households are raising buffaloes—between one to 12 buffaloes per household. The village has the best conditions for developing its buffalo raising in order to increase its revenue and stabilize its livelihood. The village is also home to indigenous varities of anise trees and other fruit orchards. Hoang Van Thu village must be aware of its pride and responsibility in socioeconomic development. It will thus meet the aspiration expressed by Comrade Hoang Van Thu when facing the enemy's gun barrel: We will eventually emerge as victor.

Decree Issued on Finance Ministry Functions

BK0611125594 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 4 Nov 94

[FBIS Translated Text] The government has issued a decree defining the responsibility and authority of the Ministry of Finance. According to the decree, the Ministry of Finance is an organ of the government and is charged with the task of uniformly carrying out state management in the financial, accounting, and budgetary distribution work throughout the country. To enable the Finance Ministry to carry out its tasks effectively, the government decree clearly stipulates the organization of the ministry's apparatuses. There are new features in the ministry's new organization. They include the establishment of the Public Property Management Department, the Investment and Development General Department, and the State Enterprises' Capital and Property Management General Department.

Gains in Foreign Investment Projects Outlined

BK0611083594 Hanoi VNA in English 0710 GMT 6 Nov 94

[FBIS Transcribed Text] Hanoi VNA November 6—Light industry ranks first in terms of number of projects and second in investment capital among manufacturing industries in Vietnam, with 230 projects valued at a total of nearly USD [U.S. dollars] 1.5 billion since the promulgation of Law on Foreign Investment seven years ago.

The majority of projects, however, are capitalized from USD 0.5-3 million with only a few worth USD 7-8 million. However, several projects requiring substantial investment have recently been approved. These include the plant to manufacture aluminum cans with a capacity of 450 million cans/year, to be built by Carnaux Metal Box (the UK and US) at a cost of USD 76 million. Further, a glass bottle production plant with an output of 7,000 tonnes/year from Malaysia's capitalized at USD 50 million, while the soft drink plant by Coca-Cola Indochina Pt Ltd. of the US has an investment of USD 20.4 million. [sentence as received]

Foreign investment projects have contributed to promoting light industry production, creating tens of thousands of jobs, applying a range of technology in production and turning out products of high quality and good design, which can be exported. Garment products and footwear, in particular, can be exported to the EU market even though it is renowned for having standards.

Joint venture plants have had a great effect on the development of domestic materials for consumer goods production, and helped Vietnamese executives to obtain new technology while upgrading their approach to management. Some joint venture undertakings have become profitable and applied for expansion of production.

Foreign investment projects in particular and light industry in general can still bring in higher economic efficiency if the industry had a better structure, a master plan and a concrete investment direction.

Dinh Nho Liem Writes on National Defense

BK0611140094 Hanoi QUAN DOI NHAN DAN in Vietnamese 24 Oct 94 pp 1, 4

[Article by Dinh Nho Liem: "Defending the Vietnamese Fatherland in the New Stage]

[FBIS Translated Text] Uncle Ho told our army and people at the historical Hung Kings Temple on 19 September 1954: "As this country was painstakingly built by the Hung Kings, we must strive to defend it." After the two wars of resistance—full of sacrifices and hardships—we have achieved national independence and unification. We must strive to safeguard it as advised by Uncle Ho.

In the new stage, the international and regional situation has undergone considerable change, as have relations between countries. National interests have become an important factor affecting international relations. Under such circumstances, we must attach importance to economic development so as to make the country prosperous and powerful and the people's lives plentiful and civilized while paying great attention to defending the independence, sovereignty, and territorial integrity of the fatherland.

Safeguarding independence also amounts to protecting the socialist regime, achieving political stability, and making our compatriots at home and abroad proud of being the descendants of the Lac Hong race so they can contribute their energy and assets toward helping our country match the progress of other countries in the region. While visiting Vietnam on 31 August, UN General Assembly President Samuel Insanally said: "Given its stable and productive economy, it is clear that Vietnam will become an indispensable part of future ASEAN development." Because the socialist regime is the model we are following, we must defend this regime and oppose and block the hostile external forces that frequently try to weaken our country. Our army and people, with the experiences they have gained over the past half century, are wise and creative enough to build a more beautiful and modern country.

To Vietnam, national independence is inseparable from socialism. Only when national independence is firmly defended and consolidated can we bring about the conditions to build our country, socialism, and a new stable society. A well-defended and stable socialist regime will be an important factor in developing the economy, building the country, and firmly maintaining national independence. The allegation that "losing a regime does not necessarily mean losing the country" is a false, ill-intentioned argument made without regard for history. In Vietnam, losing socialism would also mean the Communist Party of Vietnam being deprived of its right to rule and the loss of the administration. This would lead to the loss of the country and national independence. Defending the regime is the duty of the entire people, with the army and the people's public security force at the core. We must be clear-sighted in clearly distinguishing the forces that are actually opposing and sabotaging our regime from the allegations and actions of certain people who, though patriotic, have a method of assessment that is incompatible with the situation because of their vague notions. We must be tolerant and must clearly analyze the situation for them so they can be made clearly aware of it. This is so we can achieve unity and gather our forces. At a recent Fatherland Front congress, Comrade Do Muoi praised the great unity policy, which calls for "regarding the great national cause as important, considering the common objectives as a point of harmony, doing away with our inferiority complex and hatred, looking toward the future, and blending ourselves into a unified block for the sake of the country and the people." That is precisely the great strength needed for the protection of our regime.

Besides the need to defend our regime, it is more and more important to safeguard our national sovereignty and territorial integrity. Nowadays, to safeguard our territorial integrity, we must defend our country's inland, air space, and territorial waters. This is an increasingly important task for our people to fulfill. The struggle to safeguard the inland calls for efforts to ensure that people in border areas lead a bountiful life, enjoy equal education opportunities, and learn how to join hands with the Army and people's public security force to firmly defend the Fatherland's territorial integrity. Nowadays, economic and trade ties are broadening. Therefore, we have a new task to carry out, namely defending the Fatherland's economic rights. Our air space covers the sky above the Fatherland's inland and its archipelagoes in the Eastern Sea and internal waters, as well as its territorial waters. The heavy responsibility for safeguarding the Fatherland's air space rests with our air defense and Air Force units. Our efforts to safeguard the Fatherland's territorial waters becomes more and more important considering the need to defend our country's national sovereignty and territorial integrity. Vietnam's Eastern Sea comprises islands, including the Truong Sa [Spratly] and Hoang Sa [Paracel] Archipelagoes, as well as its territorial waters and adjacent areas, zones of special economic rights, and the continental shelf.

Owing to the political and economic dynamism in the Asia-Pacific region, the Eastern Sea is playing an increasingly important role in terms of strategy, sea navigation, defense, and, most important of all, of natural resources and oil and gas.

It can be said that with a coastal area that covers 3,260 kilometers, Vietnam has the longest coastline of all Eastern Sea rim countries. Vietnam's inland area is 332,000 square kilometers. The sea area that falls under our country's jurisdiction covers approximately one million square kilometers, or 10 times more than its inland area [figure as published]. This means that our country is in a favorable position thanks to its sea area. Viewed from a political, military, and economic angle, owing to the seaways it provides and crude oil, gas, sea products, minerals, and other natural resources it contains, the sea is playing an increasingly important role in determining Vietnam's fate and its future economic growth.

The struggle to safeguard Vietnam's independence, sovereignty, territorial integrity, and interests in the Eastern Sea is also an integral part of the duty to defend the Fatherland that Uncle Ho has reminded us about. It is our policy to resolve disputes in the Eastern Sea through peaceful negotiations based on each country's laws and on the 1982 International Convention on the Law of the Sea.

The objective of the struggle to defend our socialist regime and safeguard our territorial integrity is to serve the cause of national renovation and economic development. Likewise, economic development creates favorable conditions for national defense.

In giving top priority to economic development and national construction, our party and state have pointed out that we must maintain a cool head, heighten the spirit of revolutionary vigilance, make every effort to strengthen the universal national defense system, and build the people's Armed Forces into a regular Army-type military organization that is well-trained and modern. Only by doing so can we create conditions for future generations to succeed in building and protecting our beautiful country and in making Vietnam become a positive factor of peace, independence, and development in the Asia-Pacific region, thereby meeting our people's interests and responding to the aspirations of our friends near and far.

Article Examines Leadership Role of Party

BK0511140394 Hanoi Voice of Vietnam in English 1000 GMT 4 Nov 94

[From the "Talk of the Week" feature]

[FBIS Transcribed Text] General secretary of the Communist Party of Vietnam Do Muoi has repeatedly said Vietnam has its own political life. The terms democracy and human rights have a significant relevance to Vietnam's particular circumstances. The essence of these words are closely associated with national independence, unification, and territorial integrity of Vietnam, for which Vietnamese people fought against foreign invaders and their henchmen during a protracted resistance war.

The Vietnam's Constitution has acknowledged the leading role of the party and state and social affairs in Article Four. This provision is not imposed by the party itself but entrusted by the people of the party's full leading role in the fight against feudalism, imperialism, and their henchmen. This unique authority was not with the communist party when it was founded. During those hard times, the communists had the right to sacrifice for the homeland characterized by facing [word indistinct], prisons, detention camps, and the most atrocious suppression by the enemy to attempt to subdue their wills. The enemy's anti-communist activities were actually aimed at imposing the people to eventually dominate them.

What they call human rights and freedom were nothing else than exploitation, suppression, and massacres of people under the label of fighting communism, as exposed by the Vietnamese people during these struggles. They criticize Vietnam following a single party system. Truly, Vietnam follows this road, but the Communist Party of Vietnam is not autocratic and arbitrary. Article Four in Vietnam Constitution stipulates all party organizations function in the framework of the Constitution and law. The party's leading role is manifested through its platform of orientations and strategies based on the people's situation. The state is the body in the political system to institutionalize and perform in accordance with those orientations. The party does not [word indistinct] everything itself, but makes full use of people's strength, exercising the platform and strategies, holding state agencies elected by people. The National Assembly is the highest people-elected authority body. The National Assembly in turn elects government to execute national affairs in the spirit of democratic decision made at its sessions. That is democracy. This party is not approved by the West because Vietnam has unique features of its own political life. The sixth session of the Ninth National Assembly has provided Vietnam with new experience for implementing the role of leadership of the party, management by the state, and mastership by the people. No one is entitled to distort reality in Vietnam's political life, and to impose its own style on Vietnam, as Vietnam is well aware of immediate and far-reaching consequences.

* Minister on Industrialization, Agriculture

952E0003A Hanoi QUAN DOI NHAN DAN in Vietnamese 6 Sep 94 p 3

[Article by Nguyen Cong Tan, member of the CPV Central Committee and minister of agriculture and food industry]

[FBIS Translated Test] In industrializing and modernizing a country, one of the relationships that often produces a major conflict is the agricultural-industrial, urban-rural, and worker-peasant relationship.

In order to increase the rate of economic growth, we must rely mainly on the rate of industrial growth. As for agriculture, an annual growth rate of 4-5 percent is high (in China it is 6 percent a year), but it is normal for the rate of industrial growth to reach 15-20 percent a year. But industry cannot reach or maintain a high rate of growth if it is separated from agriculture.

In our country's present conditions, in which 70 percent of the people are farmers, political and social stability depend to a great degree on the attitude of the peasants during the process of economic and social development. It follows then that industrialization must give attention to supporting the requirements of modernizing agriculture because in industrializing agriculture and the rural economy, investments must be made in order to make full use of the land and agricultural laborers and renovate agricultural patterns. (About $1 billion per year in credits are needed, but at present, we have only about 40 percent of the amount needed.) Industry must be developed to serve agricultural production, such as producing agricultural production machinery, providing equipment to store and process agricultural products, and producing chemical fertilizers and insecticides in order to gradually modernize agriculture. On the other hand, the agricultural products processing industry must be expanded rapidly in order to increase the value of the agricultural products and raise the incomes of the peasants. (The amount of investment capital needed for a relatively modern agricultural products processing project is approximately $2 billion, or approximately $300 million a year. But in recent years, credits for this project have reached only about $20 million a year.) Along with expanding rural industry, besides the processing industry, other industries must be established in the rural areas. This will create jobs for many non-farm laborers in the process of industrializing agriculture and limit migration to the cities during industrialization. Besides this, money must be invested in developing the infrastructure in the rural areas. If agricultural production increases 4-5 percent a year and is accompanied by an expansion of rural industry, the rate of economic growth in the rural areas can be increased to match the general rate of economic growth, that is, 10 percent per year. Based on that, a harmonious relationship can be established between the urban and rural economies and stable development can be maintained in the political and social situation in general.

Among the development solutions, policies on the economic elements in industrialization and modernization have been put forth. The party is stressing the role of the economic elements, with the state economy playing a guiding role. In the many years of renovation, when dealing with problems having to do with production relations, there have been many discussions and many difficult problems.

As for agriculture, dealing with the policies on economic elements has consumed much time. Things got underway in 1978-1980, but it was not until 1988, when Politburo Resolution 10 was issued, that it was confirmed that the peasant household economy is an independent economic unit. At the same time, the cooperative economy, with its function of performing services for the peasant household economy, was renovated. A varied cooperative economy was built based on the principle of choice, democracy, and mutual profit. After that, the production forces in agriculture and in the rural areas were freed, and they made decisive contributions to scoring important achievements in agriculture.

However, when discussing the positions and policies on state economic elements, the problem is much more complex. People have very different ideas on everything from evaluating the results to determining the scope of state ownership of the enterprises in each economic sphere and renovating the management formulas.

To show the complexity of things when dealing with a small but complex problem, I would like to give the following example: The Ministry of Agriculture and Food Industry organized things to review a typical enterprise, the the Duong Hoa Tea Agro-Industrial Enterprise. This is a very small enterprise located in an infertile area in Quang Ninh Province. It has implemented a management renovation policy in accord with ND 12/CP. This enterprise has 216 hectares of tea. During the 26 years of tea operations from 1963 to 1989, there were 24 years of losses and two years in which the enterprise managed to break even. The lives of the workers were very difficult. In the face of this situation, in 1990, the state farm implemented simple plantation contracts. In 1993, shares in the plantation were sold to the worker households. As a result, tea yields doubled.

In order to replace the outmoded processing equipment, the state farm borrowed 150 million dong from the workers and 98 million dong from banks and joined with other areas to have 324 million dong to invest in new equipment. As a result, the quality of the tea improved and tea prices rose. Thanks to this, the tea purchase price of the workers rose from 800 dong per kg to 1,100-1,200 dong per kg for fresh tea leaves, and processed tea produced much higher profits. The loan of 324 million dong, which had been used to build plants, was repaid in full in just three years. The state farm has made a profit every year since 1990. In 1993, after paying taxes of 353 million dong, the state farm had a profit of 222 million dong.

In 1991, revenues of the worker households was 5.6 million dong; in 1992 this increased to 7.3 million dong; and in 1993 revenues rose to 8.6 million dong. Twenty-four percent of the households had a television, 43 percent owned a cassette player/radio, 21 percent had a motorcycle, 13 percent had a sewing machine, and 8 percent had engines and rice husking machines. Thus, in just 3 years of renovation, the state farm managed to deal with problems from the past 30 years. After reviewing things, a number of people said that doing things this way is not socialism, because the tea plantation has been divided. A number of others said that this is even more socialistic than before, because tea yields have increased, the plants are operating effectively, the lives of the workers have improved, and the enterprise is accumulating capital and contributing much more to the budget.

Today, on a broader scale, the state has promulgated a series of decisions to renovate state enterprise management with the aim of creating a new motive force and improving state enterprise results. But to date, many of these decisions have not been implemented.

Another problem has to do with allocating the industrial production forces among the regions. Giving priority to investing in a number of areas that have certain advantages, above all geographical and economic factors, in order to increase the country's rate of economic growth is a correct policy, especially during the initial stages. But measures must be implemented immediately to prevent the gaps concerning economic conditions and living conditions between the developed and underdeveloped areas from growing wider.

Looking at the 1994 budget, 12 provinces have revenues of approximately 500-7,700 billion dong. Conversely, there are 17 provinces with revenues of less than 100 billion dong. Of these, seven are considered to be poor provinces, with revenues of below 50 billion dong. These provinces are underdeveloped. For approximately 10 million people, the average GDP is only $30-40 per person per year. In comparison, the two most dynamic areas in the country, that is, the Ho Chi Minh City-Ba Ria-Vung Tau-Dong Nai area and the Hanoi-Haiphong-Quang Ninh area, have a population of about 15 million people and a GDP of $600 per person per year, which is a 15-fold difference. Suppose that in this decade the economies of those two areas grow at a rate of 20 percent a year. GDP there will reach $2,000 per person per year. But in the poor provinces, if the economy grows only 10 percent a year, GDP will reach only $80-100 per person per year. Thus, there will be a 20-25 fold gap in GDP, and that will cause many problems.

We cannot spread investments, because the more that is done, overall, it will be impossible to escape poverty and lack of development. Instead, measures must be implemented to prevent the gap from widening. Thus, at a time when it has little capital, the state must reserve the infrastructure investment capital for the poor areas. Even though it will not be possible to modernize things immediately, the minimum levels must be reached in order to create favorable exchange conditions for a commodity economy between the poor areas and the developed areas. The poor provinces are still relying mainly on the agro-forestry economy. Investments must be made to enable agriculture and forestry to expand rapidly based on the new patterns and achieve better results. Processing industries must be expanded rapidly on the spot. If installations located in a poor area are achieving results, it is essential to locate the industries there. Capital for social programs—Program 327 and the job creation, cultural, education, and public health programs—must be reserved for underdeveloped areas. There must be economic policy mechanisms for the underdeveloped areas to attract both domestic and foreign investment capital. Besides this, the central echelon must implement measures to mobilize capable cadres to help the poor provinces. The prosperous provinces and cities must share responsibility for helping the poor provinces, mainly through economic cooperation programs.

Only if there is a synchronized system of solutions will the country's economy be able to grow at a rapid rate. And only then will every citizen enjoy the fruits of renovation in a civilized and just society.

Australia

PRC's Qiao Shi in Canberra on Official Visit

Evans Discusses Businessman's Case

BK0711065594 Melbourne Radio Australia in English 0500 GMT 7 Nov 94

[FBIS Transcribed Text] Australia has expressed concern over China's handling of a case involving Australian businessman, James Pang, who has been charged by Chinese authorities with corruption. The case was raised in official talks between Australia's foreign minister, Gareth Evans, and the chairman of China's National People's Congress, Qiao Shi, in Canberra.

Australian officials say Senator Evans told Mr. Qiao Australian authorities were not being informed quickly enough about the developments in the case. Mr. Pang was charged yesterday after being held in a Chinese jail for over a year. Officials say Sen. Evans told Qiao Shi he hoped Mr. Pang would be given sufficient time to prepare a defense, and that the trial would proceed according to accepted legal principles.

Pro-Tibet Demonstration Held

BK0711093794 Hong Kong AFP in English 0925 GMT 7 Nov 94

[FBIS Transcribed Text] Canberra, Nov 7 (AFP)—Pro-Tibetan protesters disrupted welcoming ceremonies held at Australia's parliament building Monday for senior Chinese leader Qiao Shi, who has just begun an official seven-day visit. A group of 15 people seated at the front of the public gallery of the senate unfurled Tibetan flags and shouted such slogans as: "Stop Chinese occupation of Tibet", "Stop Chinese Genocide" and "Free Tibet".

Qiao, chairman of China's National People's Congress, was sitting in the President's Gallery of the upper house when the protest erupted. The shouting began when Michael Beahan, the senate's president, rose to give a formal welcome to Qiao and his delegation. When the protesters refused to become silent and a second group started banging on the glass in the enclosed viewing galleries, attendants moved in and escorted the demonstrators from the building. Protesters later attempted to block Qiao's car as he was driven to a meeting with Governor-General Bill Hayden. Television footage showed police pushing the protesters off the roadway.

The Australia Tibet Council has accused Qiao of responsibility for the deaths of up to 150 unarmed Tibetan protesters who were killed in March 1989 in Lhasa by Chinese police and paramilitary forces. At the time, Qiao headed the Chinese People's Armed Police.

Democrat Senator Sid Spindler, in a speech on Qiao's visit, foreshadowed a parliamentary motion condemning "the Australian government for inviting this 'merciless' butcher to Australia."

In response, Foreign Minister Gareth Evans told the senate that while China's record in Tibet was an unhappy one, he "did not leap to, without further evidence, conclusions either about the personal role of this particular visitor or about his present attitudes."

"I think it would be more helpful in terms of looking for a constructive solution to the problems in Tibet if some others didn't leap quite so quickly to conclusions either," Evans said.

Qiao was not in the Senate chamber during the exchange.

Evans Concerned Over KR Presence in Thailand

BK0611120794 Melbourne Radio Australia in English 1100 GMT 6 Nov 94

[FBIS Transcribed Text] Australia will express its concern to the Thai Government about leaders of Cambodia's rebel Khmer Rouge [KR] faction enjoying sanctuary in Thai territory. Australian Foreign Minister Gareth Evans says he'll raise the issue of Thailand's border region with Cambodia with his Thai counterpart, Thaksin Chinnawat, at next week's meeting in Indonesia of the Asia-Pacific Economic Cooperation group.

The move comes amid calls for the KR killers of an Australian hostage, David Wilson, to be brought to justice. Senator Evans says the Thai Government is not friendly to the KR but it does have problems controlling the military. The foreign minister says it's not acceptable for the KR to be able to cross the border into Thailand and regroup with virtual impunity every time they come under pressure from Cambodian Government forces. He also says it's not acceptable for individuals in Thailand to assist the KR with supplies and with commercial contracts for gems and timber which keep money flowing to the rebel group.

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